Featuring Asbestos in Canada

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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FARMERS DIRECT CROP REVENUE TO DEBT SETTLEMENT

Business Benefits Also From the Advance in Prices

VAST GRAIN DEMAND

Ontario's Record Crop is Placing Business on Sounder Basis—Whole Country Benefits

The hesitant attitude of business in the United States and Great Britain, induced by coming elections, has little effect upon Canadian trade. Britain, the largest wheat-importing country in the world, has commenced to buy grain in large volume, and her current purchases of other raw materials are quite up to normal. The view once prevalent in Canada that our business was bound to suffer during the tenure of office of the high tariff party in the United States has been largely dispelled as unfounded, and Canadian business is not seriously concerned from that standpoint. Even in the States there is a growing feeling that altogether too much significance is attached by commerce and industry to the question of what party is in power. A business authority quoted in another column presents statistical data to prove that neither business prosperity nor depression has consistently followed the elevation to power of either political party.

The continued and increasing demand for our grain abroad at current high levels is daily building up the buying power of the country to a degree probably not fully appreciated. The indicated world production of wheat for 1924, Russia excluded, is about 11 per cent. smaller than that of last year, and Russia will have very little, if any, surplus. This applies also to Rumania asd Bulgaria, which countries, along with Russia, used to export nearly one-third of the wheat exported by wheat producing countries. In conjunction with this is the expanding world consumption of wheat consequent upon European recovery. Europe, including Great Britain, imports annually about 400,000,000 bushels of wheat, which is about two-thirds of the world exports. Since world production has decreased more than 10 per cent. the importance of Europe's increasing demand is evident, and lends support to the expectation of still higher price levels.

Gradual Rural Improvement

As a consequence of the grain price situation, the farmers are reported by some of the banks to be liquidating their obligations better than at any time since the beginning of the depression. It is held by some that crop returns this year will be used almost entirely for debt settlement, and that the retailers and manufacturers will not benefit materially from it. Such a view seems utterly without foundation. Much of the farmers' money will undoubtedly be used for this purpose, but much is now, and will continue to be, directed to the purchase of goods. Every sum of money used for debt liquidation brings the farmer nearer to the place where he commences to buy goods. In fact, there is a fairly general feeling on the part of retailers that the farmer, like everyone else, will use a portion of the crop returns for paying debts, and a portion for buying needs and luxuries. Despite what has been said, buyers of merchandise in the West are still cautious. The feeling seems general, especially on the prairies, that mercantile firms much continue on a careful and economical basis for some time.

The livestock returns, particularly in Ontario, have improved the farmer's position measurably. The removal by Great Britain of the cattle embargo has been of tremendous value to Canada in facilitating the shipment of stockers direct to England to be finished there. A leading cattle exporter stated to THE FINANCIAL

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Canadian Conditions

Car Loadings—		
Week ending	1924	1923
Oct. 11	67,740	72,827— 6.9%
September	231,934	253,404— 8.4%
Year to date	2,220,204	2,138,609+ 3.8%
Building—Nine Months—		
	1924	1923
	$83,934,313	$94,067,170—10.7%
Bank Clearings—Nine Months—		
	1924	1923
	$11,349,315,471	$11,186,634,753+ 1.4%
Savings Deposits—Chart. Banks August		
	1924	1923
	$1,178,860,058	$1,189,988,876—0.9%
Current Loans—By Banks August		
	1924	1923
	$963,347,506	$1,046,295,745— 7.9%
Net Dominion Debt—September 30—		
	1924	1923
	$2,385,406,851	$2,398,247,483— 0.5%
Railway Earnings—Nine Months—		
	1924	1923
C.P.R.	$124,877,000	$126,140,000— 1.0%
C.N.R.	172,484,625	180,137,565— 4.2%
Balance of Trade—12 Months, August—		
	1924	1923
Exp.	$1,060,105,482	$1,001,187,574+ 5.8%
Imp.	833,645,913	891,961,035— 6.5%
Bal.	226,459,569	109,226,539+107.3%

PROVINCES OPPOSE DOMINION ACTION ON INSURANCE ACT

Report Outlines History of Amendments at Ottawa

NICKLE PROTESTS

Claim Legislation is Ultra Vires, Wanted Test of Validity in Courts

That the question of jurisdiction in the regulation of business, particularly in the insurance field has not yet been settled, is evidenced by the report on Dominion legislation presented this week by R. Leighton Foster, superintendent of Insurance for Ontario to the conference of superintendents in Toronto. The report contains an outline of the developments during the past year, dealing with the bill passed at the last session of the Dominion Parliament to amend the Insurance Act, 1917.

The present situation has arisen following the growth of insurance companies and the regulations affecting their business which are enforced by the respective authorities. Many companies have been established with Dominion charters and that government has sought to regulate them. At the same time the provinces have enacted legislation affecting certain phases of the business of these companies. Just how far each body can go is the point at issue which has risen in connection with specific questions. The matter has, at times, been in the hands of the courts and has twice reached the Privy Council for decision.

In referring to the amendments by the Dominion last year the report says in part:

"The bill contained three sections which appeared particularly objectionable to the provinces. Section 7 provided penalties against Canadian companies, aliens or immigrants undertaking to engage in any activity in connection with insurance without a license from the Dominion Department of Insurance. These penalties were intended as a sanction for the provisions of the same act under which the Department of Insurance undertakes to regulate insurance contracts and the business of insurance. It was evident at a glance that this section was intended to reassert the right of the Dominion to enforce its insurance regulations in deliberate disregard of the decisions of the Privy Council in the Insurance Reference 1916, and the Reciprocal Insurance Reference 1923.

Section 8 of the bill dealt with contracts of life insurance and provided that all moneys payable under the policy should be payable in lawful money of Canada.

Section 9 amended section 123 by adding three more clauses respecting contracts of fire insurance. The subject-matter of these clauses had been ade-

(Continued on page 4)

GERMANY READY FOR TREATY WITH CANADA

Would Extend Preferences in Exchange for Concessions Here — Large Section of Liberal Members Ready

From Our Own Correspondent.

MONTREAL. — German political and business leaders are favorable to any suggestion for closer trade relations with Canada, it is learned from a Montreal business man, who recently spent some time in Germany, looking into this question. It is felt that Germany would welcome any suggestion from Canada on the question of the establishment of a reciprocal trade arrangement between the two countries.

This situation is particularly interesting in view of the fact that a large section of the Liberal party is favorable to the idea of dropping the British preference entirely, and negotiating preferential trade treaties with nations that are ready to give Canada preference in their markets. This would include Germany, which, when they offer Canada preferential advantages.

At the moment, there is nothing new from Germany regarding the threatened duties that would affect Canadian wheat and flour. It is felt that Canada will always continue to export a certain amount of wheat and flour to Germany—duties or no duties—as the Canadian hard wheat is a virtual necessity in Germany. Germany is one of Canada's largest markets for wheat and flour.

OUTLOOK FOR THE FRANC

PARIS (Special by mail)—The tendency at the moment appears slightly weaker for the franc, but it is impossible to even hazard a guess as to how far it is likely to go, as it must be remembered the French government has the $100,000,000 credit still intact in New York, and can make use of it at any moment they think desirable, and this would certainly check any heavy depreciation. But it must be borne in mnid that the government wants to keep the franc down, and business wants to keep it on a fixed basis with as little variation as possible, preferably at the equivalent of 5c. Canadian money.

Newsprint at $65 Ton is Now Thought Possible

From Our Own Correspondent.

MONTREAL.—Several new mills are contemplated for the manufacture of newsprint paper in Canada, and the discussion concerning these intended establishments hasnotserved to strengthen the newsprint market. Many investment bankers are resigned to the prospect of $65 newsprint, and it would not be surprising to see the market price dip to this figure before showing recovery.

Some investment bankers are wondering if $65 newsprint would not in the end be a good thing for Canada, by eliminating some of the weaker and higher cost mills.

SUBSIDY ON COAL WILL NOT AFFECT TRADE THIS YEAR

Came Too Late to be of Much Real Value

From Our Own Correspondent.

MONTREAL.—Further study of the terms of the coal subsidy, granted by the Dominion government has convinced many of the companies that its effects are hardly likely to be noticed for some time yet. Unfortunately the order-in-council approving the subsidy was only announced on September 19, and as the most of the coal brought from Nova Scotia comes up by water, and as the bounty does not apply—it is understood—on contracts entered into before September 3, there can only be a very small amount of coal affected by the bounty during the short season remaining for navigation.

The bounty may not be an important factor next year either. This is due to the fact that bounties expire with each new session of Parliament and have to be revoted. Quite possibly parliament will revote the subsidy at its next session, but the coal companies will hesitate to base any contracts on the subsidy for more than two or three months of next year.

The small amount of the limit of the subsidy, $150,000, is also a factor that may militate against its power as a stimulus to Maritime coal development.

But It's a Worth While Start

Nevertheless, the subsidy is regarded as a start and on coal orders that are entitled to it, it will give shipments just that much additional advantage over American coal. Now American bituminous coal enters Canada on payment of a duty of 60 cents per ton, and as it is possible for the coal subsidy to go as high as 50 cents a ton on some shipments, the net advantage to the Canadian coal will be as much as $1.10 a ton in some cases. At the present time, the 60 cents a ton duty on bituminous coal applies to run of mine, but the duty on slack coal is only 14 cents. This was considered sufficient protection when slack coal was not widely used, but now that most industrial corporations are using slack coal the 14 cents a ton provides little protection for Canadian coal producers.

"Bootlegging" in Coal

Canadian coal producers charge, too, that there is "bootlegging" in coal; that shipments of American coal, half run of mine and half slack, are coming over as slack coal and that the government has established no efficient system of inspection at the border.

The order-in-council, which was dated September 3, and made public September 18, authorized the minister of mines to expend not more than $150,000 for subsidy of one-fifth cent per ton per mile on bituminous coal shipments from the Maritimes to

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Birds Were First to Have Fireproof Asbestos Homes

What man first discovered the asbestos deposits in Quebec? A man did not make the discovery; in fact its first discovery dates back long before the first pioneers pushed southward from the shores of the St. Lawrence. The birds discovered asbestos in Canada.

Early settlers in the eastern townships noticed that birds occasionally made their nests with a white, woolly substance. When burning out a clearing, one habitant noticed that the nest did not burn. He told his wife about it. Like wives of to-day she wished to be shown. The poor farmer was forced to go out to his fields again to bring back the tangible evidence. He returned to his cabin with a nest. His wife promptly opened the stove door and threw the evidence in. To her intense chagrin it came out intact again. Thus were the valuable deposits first discovered in the townships.

It was not for many years that the mineral was first extracted as at that time no one knew of any uses for the raw product, but the birds finding surface outcrops which had been rubbed by nature into the wool had made their nests with it. The chrysotile mineral offered no real objection to their sturdy beaks, turning it into "wool" of just the proper degree of softness for a comfortable nest.

RAILWAY RATES PROMISE LIVELY POLITICAL FIGHT

West Ready to Make Crow's Nest Pact a Big Issue

PREMIER IS SILENT

Mr. King Evidently Waiting Opportunity to Discuss Whole Situation With His Colleagues

From Our Own Correspondent.

OTTAWA.—The reaction of the prairie provinces to the decision of the railway commission in the Crow's Nest Pass rates case has convinced everybody here that a rather prolonged legal and political battle will follow. It is noted that the Manitoba government has decided to appeal to the governor general in council, but the impression offhand is that this will avail little as an appeal must be on question of law or fact, and these lie only with the Supreme court.

As Chief Commissioner McKeown and some of his colleagues are about to visit the West they, no doubt, will come into direct contact with Western opinion on this subject. The chief commissioner is a stranger to the country west of the Great Lakes, and to him the visit will be one of very great interest. It is also possible that he may be surprised at the vigor with which the West expresses its opinion on matters of law as well as on other things.

The prime minister has refrained from expressing an opinion on the discussion until he has had a chance to consult his colleagues, but the subject is so complicated that it is difficult to see what action the cabinet could take until the courts have given a decision as to the powers of the commission to ignore an agreement in fixing rates, and also as to the extent of territory to which the Crow's Nest Pass agreement was intended to apply. If the commission has the powers it claims, then, the second question would go by the boards.

Situation is Clouded

It is now realized that the situation as respects the application of the agreement is not nearly as clear as those who protested against its limited application have maintained. For one thing, it seems to have been loosely drawn. That its defects in this respect have not received more attention is due to the fact that between 1898 and 1917 it was not much of a rate factor. As a matter of fact, during the Hansard debates of 1903, when the powers of the commission to fix rates were fully discussed, the Crow's Nest Pass agreement was not mentioned.

No matter what happens, the Crow's Nest Pass agreement is sure to be quite a political issue. This is a phase of the situation that the politicians do not like, for they already have enough trouble with the West. There is no doubt that the Progressives will welcome the issue, for a fight on it would justify their existance in the West. This will probably produce a reaction from the Maritime provinces, where the remarks of Hon. R. E. Finn before the railway commission would lead one to believe that the agreement has but few friends.

Toronto Carpet Exhibit Well Received at Wembley

Actuated by patriotic motives, Toronto Carpet Co. placed a fine exhibit at Wembley. It received a fine reception. The designs, colors and patterns were considered much ahead of the Old Country product. The company had several inquiries about their goods but found that to do business they would have to make a price ten per cent. below actual cost of production. They have made a deal to further advertise Canada, having turned their exhibit over to Harrod's, the big London department store, and one of the conditions is that it shall be shown intact in their windows and labelled "Made in Canada."

Canada Gaining in World Flour Markets

From Our Own Correspondent.

NEW YORK.—While Canada's exports of flour increased 218 per cent. during the fiscal year ending June 30, 1924, as compared with exports in pre-war years, American exports increased only 61 per cent., according to a statement made by the Department of commerce. Canada was so active a competitor of the United States during the same period that it actually shipped more flour to 17 of the principal importing countries than did the United States.

STEEL INDUSTRY STEADY

PITTSBURGH. — The steel industry continues to operate at between 60 per cent. and 65 per cent. of capacity, or at substantially the same rate as in September. There is no indication of increase or decrease in the next few weeks.

Saskatchewan's Butter Output 13,000,000 Pounds

By Staff Correspondent.

REGINA.—Dairying in Saskatchewan is progressing in a manner truly remarkable, the production of creamery butter in the month of September, 1924, reaching the high figure of 1,556,291 lbs., as compared with 997,433 lbs. in September, 1923, being over half a million pounds gain for a fall month, the largest gain in butter manufacture ever reported in the province in any one month.

It now appears as if the total creamery butter production for the year will reach 13,000,000 lbs, a gain of 3,000,000 lbs. over the high record of 1923.

WEST WILL PUT CROW'S NEST CASE UP TO PREMIER

Mr. King Will Have to Run Gantlet of Prairies Coming East

By T. WAYLING.

The first shot in the West's railway rate warfare has already been fired in a telegram to Ottawa from the Winnipeg Board of Trade, demanding that the Governor-General-in-council rescind the Railway Commission's ruling and preparations are under way all along the line to the same end.

The most perturbed man in Canada just now is probably the Premier, who is east-bound into the maelstrom of angry protest that is seething on the prairies. While the government is not directly responsible for the affair, yet it is responsible to the people of Canada for the people's servants, including the railway commission. It has been more or less a point of political honor that the board shall be kept out of political strife, and successive government's have given it free rein to administer justice, yet the first demand that will be made of Mr. King will be that the Governor-in-council (meaning himself and his cabinet) over-ride the commission without delay, rescinding the decision or at least postponing its effectiveness until parliament has met and decided what is to be done.

West Wants to Know

The Premier must return through the Prairie Provinces on his way to Ottawa. Like Mr. Meighen, he has some ardent admirers in the West. Outbound they greeted him jovially in western fashion: "Well, well, how are you?" Eastbound they will greet him with no less warmth, but the verbal greeting will more likely be: "Well, what tha—?" Mr. King must run a gantlet from the foothills to the Great Lakes, and it will be a non-partisan parallel through which he will have to pass.

Immediate action is bound to be demanded from the government, and in the meantime there is a scrambling and scurrying among the legal lights of the West to find out how many

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EXPENSIVE LAKE BOATS STAND IDLE

Congestion at Montreal Ties Up Valuable Shipping, at Loss to Owners

From Our Own Correspondent.

MONTREAL.—About fifty-five new boats have been added to the lake fleets in the grain trade in the past two or three seasons. The Great Lakes Steamships Co., the Matthews Steamship Line, the Bay Line, the Eastern Line and others have added boats. The result has been a condition of congestion in Montreal that has tied up the lake vessels and prevented them from earning profits the owners expected from them.

The general manager of the port of Montreal issued a statement this week denying that there was any congestion in the local harbor. He pointed to the increased elevator capacity here and stated that 123,000,000 bushels of grain have already been handled this season against the total for all of last year of 120,000,000 bushels.

Despite this statement, the fact exists that there were 49 lake boats, carrying grain, tied up in Montreal Harbor at one time this week and the steamship men claim that the condition is serious.

Condition of congestion is said to be due, chiefly to the action of ocean vessels in discriminating too closely in the choice of grain for shipment, with a result that elevator capacity is taxed to store grain that the boats do not wish to carry immediately. The farmers are naturally rushing their grain to sea-board to take advantage of, or at least to be in a position to take advantage of, present high prices, but the movement from the port outward is not so pressing.

Congestion of this kind does not occur at American ports because all the grain is taken to them by rail and it is easy to put an embargo on grain shipments when congestion threatens at any port. But an embargo is not so simple a matter with lake boats, which eat up overhead in wages, coal, dockage, etc., when they are standing idle.

MAKING WESTERN PEOPLE SEE NEED FOR PROTECTION

Understanding of Western Point of View is Necessary

DISMISS HOME MARKET

Acknowledge That it is Not Price Factor in Wheat—Talk of Importance of Developing Resources

Special Correspondence.

WINNIPEG.—Is it possible for the West and the East to understand each other on the question of a tariff for Canada? The question arises after noting the impatience which is often expressed by tariff advocates in Eastern Canada with the attitude of the Western farmer on the subject of protection, and the extremes in denunciation of the tariff idea which are often uttered in the West. If the maintenance of the protective principle in our tariff is as important as many people believe it to be it is going to be necessary to make the fact clear in Western Canada, and to do that it will be desirable to understand the Western point of view. Unfortunately most people who argue the tariff question to the West, while they may know the Western point of view, do not understand it, and they do not succeed in getting a very good hearing for their case. At the best, the Western farmer dislikes the tariff because it costs him money; at the worst he considers it a flatly immoral exercise of a special privilege by some people for the exploitation of their fellow citizens. Nevertheless a tariff advocate might get a good hearing, but he would have to approach the question from a new angle. The following is a suggestion of a method of approach.

The tariff advocate might begin by saying to the Western farmer: "I know a tariff is of no direct use to you. It cannot help you with the price of your wheat, your cattle or your hogs. No matter how much we build up Canada within the next generation you are going on exporting food, and the price of your products both at home and abroad is going to be governed by world market conditions. I am not urging you to support a tariff in order to build up a home market for your own products. No matter how big the home market gets to be, your prices will still be determined in markets abroad."

Start that way and you have a chance of a hearing. Start any other way, and attempt to ignore or controvert the position just stated and the rest of your argument falls on deaf ears. If you do not know that fundamental fact about the economics of Western farming you will not get credit for knowing anything else of value.

Need For a Tariff

But go on from there. "Nevertheless there are reasons for your sup-

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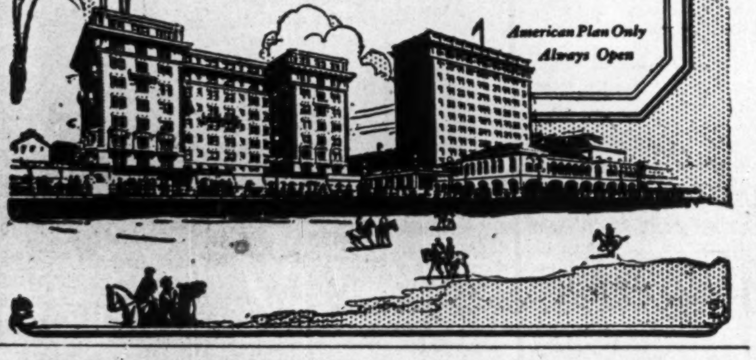


The Business Outlook

COAST PROVINCE LEADS OTHERS IN TRADE STABILITY

B.C. Employment Situation Better Than in Any Other Province

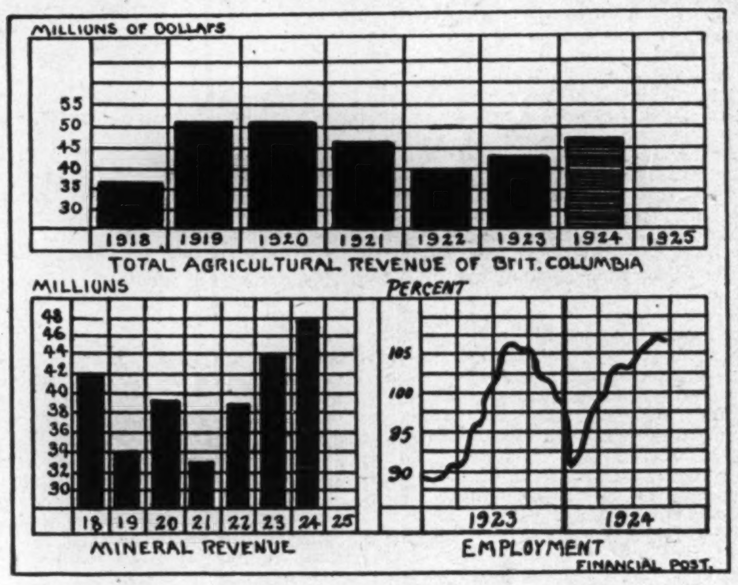
The recent development of trade and industry in the Province of British Columbia, and the expanding annual revenue from all sources, indicate the increase in buying power of the Pacific Coast area. Various factors have combined to improve general conditions. British Columbia is not so subject to trade reverses of a national nature as are most other parts of the country since her trade is largely with the Pacific. Nor are her industries so much affected by seasonal changes as is the case in other parts of the country. There is no dependence upon one or two crops as in the prairie provinces. Further, the increasing volume of shipping of the products of the West by way of the Pacific tends to increase the business of the port cities continuously. It the expected expansion of the Orient should materialize, the Pacific Coast area of Canada will undoubtedly become one of the most highly industrialized sections of the country.

The current business of the province is in a relatively satisfactory condition, in comparison with other parts of Canada. The value of mineral products this year promises to be something in excess of $45,000,000 in comparison with a slightly smaller total last year, and less than $40,000,000 the year before. The fishing industry is in a healthy condition although some of the more important markets are rather quiet just at present. There is scarcely an improvement yet in the rather depressed condition of the lumber industries, although some substantial business has been obtained from the Orient.

The general state of retail and wholesale business in British Columbia is fairly satisfactory. The tourist business which has been very heavy this summer was a large factor in this. The general condition of business and industry is probably well pictured by the accompanying graph which is based on the index number prepared by the Dominion Bureau of Statistics. Unlike most other parts of the country, there has been an improvement in the employment situation over last year, and there has been scarcely any decline in the line at the end of summer as was the case elsewhere.

Statistics showing the agricultural revenue and the mineral revenue of the province during recent years follow:

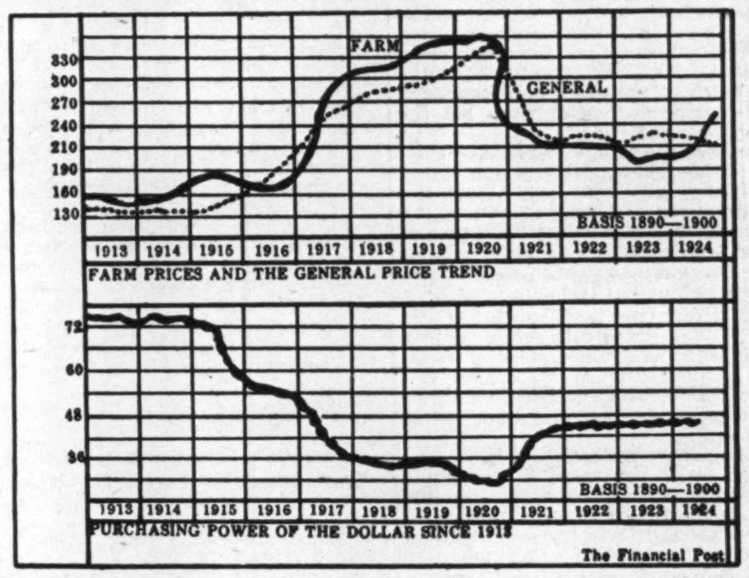
Farm Revenue of British Columbia	Mineral Revenue
1918—$17,548,000	1918—$42,935,333
1919— 24,603,000	1919— 34,865,427
1920— 27,017,000	1920— 39,411,728
1921— 20,447,000	1921— 33,230,460
1922— 18,273,000	1922— 39,423,962
1923— 18,912,000	1923— 41,304,320



Farmer's Dollar Recovers

After having his buying power curtailed by a greater degree of deflation in relation to his prices than those of manufactured goods for nearly four years, the farmer is at last placed in a favorable position by the phenomenal rise in the prices of virtually all farm products. Farm prices dropped lower than the general price levels in the latter part of 1920, and have been considerably below ever since. With the recent change, however, the situation is quite different. The farmer should this year be among the best buying prospects, and the rural districts are even now reporting a decided improvement in retail business. The statement is made that the farmer must first liquidate his debts before he is in a position to increase his buying materially. Undoubtedly much of this will be done, especially in the West, but all farmers are not in debt. The liquidation will bring us that much nearer to a state of better buying, and the actual increase in buying by a large section of the farmers cannot be counteracted because some farmers are in debt.

The second graph represents the actual power of the dollar during the war and post-war periods, and to date, on the basis of 1890-1900-100.



On this basis it will be seen that the dollar is still worth less than 50 cents in comparison with the dollar of twenty-five years ago. In view of the relatively stable condition of Canadian prices since about the middle of 1921, it would seem a new level is being established, and according to present indications this new dollar is worth approximately half of the dollar of a quarter century ago.

Freight Car Loadings Again Show Increase

Despite the fact that grain loadings increased during the week by 1,068 cars, the total of revenue freight loadings in Canada showed an increase over the previous week of 826 cars, bringing the total to 67,740 cars.

This increase in loadings is of significance, since it was built not of increased grain shipments, as is the rule at this season, but of other products. Those specified were livestock, coal, lumber, pulpwood, and other forest products, ore and miscellaneous freight. In other words, there is evidence of a general increase in the shipment of goods which is not merely seasonal. The recent car-loading figures have been consistently lower than those of last year, as a result of smaller grain crops and the coal strike. Neither of these factors depend on basic business conditions, and business should not be considered worse because freight loadings are lower. This is a valuable index, however, if discrimination is used in the interpretation.

Cumulative loadings to date this year are still considerably in excess of those of last year. The figures are 2,220,204 and 2,138,609.

Big Cut in Wages to British Textile Workers

The tremendous reductions in the wages in the textile trade in Great Britain since 1920 are shown in a survey of the Textile Industries of Great Britain and France 1920-1924 issued by the Farmers' Loan and Trust Co., New York. In their chart of the average weekly wages in the cotton and wool trades in Great Britain they show that the peak of high wages came in the third quarter of 1920 at £2.16.6 per week (that is $12.43 at $4.40 exchange) and that this had been reduced to £1.16.6 per week (that is, $8.03 at $4.40 exchange) in the second quarter of 1924. These figures, they state, represent the average weekly wages actually paid, not the standard rates.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—The regulation prohibiting entry of goods packed in straw has been amended to permit entry of goods accompanied by a veterinary's certificate indicating straw does not carry foot and mouth disease.

Newfoundland—Has reimposed the import duties on the following articles which were placed provisionally on the free list from April 24, 1924, by the Newfoundland government lately retired from office:

Kerosene oil (in iron or steel packages), 5 cents per gallon; pork (salted in barrels), $1.50 per barrel; beef (salted in barrels), $1 per barrel; molasses (produced in the West Indies from sugar cane), 5 cents per gallon; molasses (from sugar cane and beet), 35 per cent. ad valorem. The import duties on flour ($0.25 per barrel) and on gasoline ($0.06 per barrel) were also reimposed by the new administration, but were almost immediately removed again.

All the above products are subject to the 5 per cent. sales tax chargeable in Newfoundland on practically all goods, whether subject to import duty or not.

Denmark has put the following items on the free list, among others:

Machines.—Sewing machines; mowing machines (except lawn mowers), reapers and self-binders and parts of the above machines. Cast anodes.

Metals and metal products.—Hoop and bar iron, rough forgings and plates or sheets, with punched or bored holes (except perforated plates); expanded metal; "Kahn" iron and similar bars for concrete construction; rowlocks and thimbles; sewing-machine stands not combined with wood; wheels, wheel trucks and complete springs for railway and street cars; and certain other iron manufactures; (256) sheets, wire and rods of platinum and manufactures for technical use of platinum or of platinum covered with other metal.

Mineral oils.—Crude petroleum and tar, and distillates thereof with a viscosity of 2 or thereunder at 20 deg. C.; certain residuum oils and residual products of the distillation of rock oil; certain tar and resin oils; carbolic acid; asphalt, crude or purified; paraffin and ceresin.

OPTIMISTIC FEELING GROWING ON PRAIRIES

Results of Grain Sales and Livestock Shipments Begin to be Felt in Trade

From Our Own Correspondent.

LETHBRIDGE.—Business conditions throughout the West are steadily improving, as returns from the crop get into circulation. The resumption of the coal mining operations of Alberta after six months of idleness means the return of a monthly payroll of half a million dollars every two weeks. Farmers are optimistic with wheat netting them around $1.50 a bushel, and they are beginning to buy. Wholesale and retail business is picking up and country merchants feel safe in placing orders. Country merchants report lines that have been stagnant for years, furniture, for instance, now moving freely. The farmer has not been buying for several years. That is, he has been buying only essentials. He is now stocking up with a few of the comforts of life, improving his home surroundings, buying a bunch of feeder cattle and lambs, and placing on his farm a few breeding ewes and sows.

Potato digging is now general. The crop will be of good quality, but light. Alfalfa is moving east and west and the demand is good from all quarters. The Co-Operative Hay Association, recently formed here, will handle the bulk of the crop this year, it is believed. Stockmen are moving their fat cattle to market, the bulk of the shipments going to Chicago. The big cattle companies are shipping now, making considerable additional tonnage for the railways. In shipping to Chicago, Western cattlemen have not a bed of roses for it costs $28 duty to get a 1,400-lb. steer across the line. In spite of this they hold that Chicago is the only stable market for large consignments. Toronto and Montreal are getting small lots. A few are going to Winnipeg, while hogs, in large quantities, are going west to Seattle and Tacoma. Vancouver is drawing both cattle and sheep from these parts. Turkeys are now raised in quantity in Southern Alberta, but there will be a shortage this fall. There are no turkeys in the southeast where the drought was practically complete. Other districts report a fair number of marketable turkeys. Prices will be high. Improving conditions are noticeable everywhere. The spirit of the farmers is better. The transition from grain to mixed farming is taking place rapidly, and business is feeling the benefit.

Trade Not Subservient to Political Parties

An interesting viewpoint is expressed in the current letter of I. I. Sperling relative to the impression that has become prevalent in certain quarters that business conditions are materially affected in the United States by the political situation. The portion of the letter dealing with the question follows:

"During the past 40 years one national political party has given the American workingman a full dinner pail just as consistently as has the other party. This statement made by the Cleveland Trust Co. in its mid-month Business Bulletin for October, is based upon a study of business records during the administration of both parties over four decades.

"Republican administrations have been at the head of the national government during 24 years of the past 40 years, while Democratic administrations have controlled national policies during the other 16 years," says the bank. "Through this long period general business has moved from depression to prosperity and back again many times.

"Statistical studies of the period show that in the 24 years of the Republican administration 55 per cent. of the months have been months of business prosperity, and 45 per cent. months of depression. The records for the 16 years of Democratic administration show 55 per cent. of prosperous months and 45 per cent. of months of depression. There is not a half of one per cent. of difference between the two records. There seems little reason to believe that the record of the immediate future will differ materially from that of the past.

"The records of the stock market over a similar period of time fail to reveal any significant relationship between the movements of stock prices and national elections."

St. John's Case is Now up for Consideration

A reduction in marine insurance rates as they apply to the Port of St. John, N. B., and which would put that port on a parity with other Atlantic ports, is under consideration by the Imperial Shipping Board. Hon. P. C. Larkin, Canada's High Commissioner at London, has been taking the matter up. He secured recognition for Halifax, and it is believed that St. John will soon follow. The shipping board, in a report to the St. John Board of Trade, commented favorably on the fact that there was one of the largest dry docks in the world in that port. Pressure is also being brought to bear on the board for consideration for Quebec and Montreal in the matter of insurance rates also.

Farm Organizations to Operate Turkey Pools

From Our Own Correspondent.

REGINA.—Two poultry-marketing pools have been arranged through the co-operation and markets branch of the Saskatchewan Department of Agriculture, one pool working in conjunction with the Saskatchewan Grain Growers' Association to market dressed turkeys direct through country points, and the second pool to market live turkeys through the various killing stations of the Saskatchewan Co-operative Creameries, it is announced by Hon. C. M. Hamilton, minister of agriculture. The creameries at Regina, Saskatoon, North Battleford, Melfort, Yorkton, Weyburn, and Mellville, all of which have cold storage facilities, will be used for properly chilling the birds before shipping. A. P. McLean, general manager of the Co-operative Creameries, will act as sales manager for both pools, with an advisory committee composed of Mrs. John Holmes, markets' convenor of the Saskatchewan Grain Growers' Association, and W. Waldron, acting markets' commissioner for Saskatchewan.

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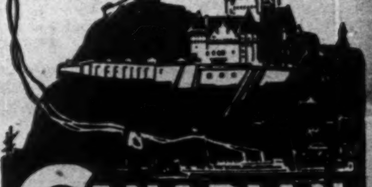

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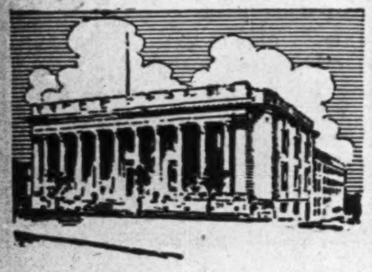

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NEW TRADE COMMISSIONER

Recently appointed to the office of His Majesty's Trade Commissioner in Toronto, G. F. Braddock, of London, has assumed his duties. Mr. Braddock succeeds F. W. Field, who was lately promoted to the post of Senior Commissioner at Montreal.

ELEVATORS OF WEST LOSE HEAVILY ON GRADING OF WHEAT

Local Gradings Not Supported on Car Inspection

FARMERS PROTEST

Reduction of Grade at Calgary and Fort William Subject of Important Conference

From Our Own Correspondent.

CALGARY. — Protests are being made by farmers in the three prairie provinces over the alleged stiffening of wheat grading. Commissioner M. Snow, of the Board of Grain Commissioners, has had a conference with the farmers on the subject. Farmer representatives were firm in their contentions that a tightening up on grades was evident to them as well as the local elevator men. They were, however, unable to present concrete evidence that the grading was not in conformity to type samples. The position taken by Commissioner Snow, and George Hill, Dominion government grain inspector here, was that the grading this year so far had been done on last year's samples, for the simple reason that, owing to the weather, it had been impossible for the chief inspector to produce samples from the different parts of the country whereby the commercial grades could be fixed. Mr. Snow stated that as soon as that was done, the Standards Board would be called together, and, if any farmers' organizations would like to have a representative on that board, whom the board considered had a practical knowledge of grading of grains, so far as he knew there would be no difficulty in getting him appointed.

Elevators Badly Hit

One of the peculiarities brought to light by the protests raised by the farmers is that all elevator companies claim that they have been badly hit themselves, and have lost thousands of dollars since the commencement of the present season. They explain that all this has been brought about owing to their country agents grading the wheat when received from the farmers too high, and that when the grain reached inspection points the government inspectors reduced the grade. That did not merely apply to Calgary, but to Fort William as well, where it had been contended by some of the farmers, who had lodged the complaints, the grading was not so strict.

Elevator men aver that sufficiently close inspection had not been made by the country agents. During the past four seasons wheat has graded high, particularly last year, and the agents, it is stated, instead of securing samples of the wheat and closely scrutinizing these, had done their business on the principle that if a certain farmer had No. 1 wheat last year, his wheat would grade the same this year.

To show the big losses incurred, one elevator man showed THE FINANCIAL POST documents in a case where a car of wheat had been given a No. 3 grade, but which, on arrival at Fort William, was graded No. 6. That had meant a difference of 34⅛ cents per bushel, amounting to just $700. In another instance, the inspection certificate of another car was produced. This was graded by the government inspector here "No grade. Rejected, No. 3 Tough. Musty, 5 per cent. dockage." In that case, the country agent had given a straight No. 3, and which will mean a difference of between 65 and 70 cents a bushel, which the elevator company will have to stand.

Unless the farmers can bring forward some concrete case, it is not expected that the Board of Grain Commissioners will be able to move further in the matter.

Says the Country is in Hands of Big Business

WINNIPEG.—That there is not the slightest doubt that the big financial institutions run the government, the banks, and great commercial organizations, as well as the educational institutions, is a statement by J. S. Woodsworth, M.P., for Central Winnipeg, which is typical of the way in which big business of the East is being represented to the Western people. Mr. Woodsworth points out that ten years ago there were about 35 chartered banks in Canada, now there are only 13 or 14, and four of these control 70 per cent. of the business. "There is not much doubt that smaller banks will continue to drop into the hands of the larger institutions or fail," declared Mr. Woodsworth. "Many of the bank directors are also directors of as many as twelve or thirteen industrial organizations, making a network of interlocking directorates lending one to the other."

Automobile Output Far Above the Normal

NEW YORK.—Decrease of about 6,000 cars in motor production during September from August was not enough to cause a decline in the Automobile Index, which increased from 12 per cent. above normal to 31 per cent. above. This is a 19-point increase. A much larger decrease could have occurred without causing any misgivings in the industry because a decline in the September production is a seasonal one.

A year ago the Index was 68 per cent. above normal. This was decidedly out of line with general business as represented by the Index of 20 industrials, which was practically normal. This year automobile production is 31 per cent. above normal, but Index of 20 industrials is 14 per cent. above normal, a spread of only 17 points, whereas last year the spread was about 68 points.

The Index shows that the motor business is in a healthy condition. A decline may be expected during the rest of the year, but there is little likelihood of the Index going below normal.

NEW ELEVATORS ARE SPRINGING UP ALL OVER THE COUNTRY

Saskatchewan Co-operative to Build at Buffalo

From Our Own Correspondent.

WINNIPEG. — Saskatchewan Co-operative Elevator Company plans to erect a transfer elevator at Buffalo, with a capacity of 1,000,000 bushels, and at a cost of $800,000. This concern, with its 440 country elevators, and terminal elevators, holding 15,000,000 bushels, can now claim to be the largest grain-handling organization in the world.

A large amount of Western grain takes the route through the United States to New York. Neither developments at Montreal or Vancouver have altered that fact. Principally it is due to the presence of liners at New York, prepared to make low rates for the transport of grain to Europe, using space which otherwise might have to be devoted to ballast. Completion of the new Welland Canal may change the port at which grain via the Montreal route is transferred from the large vessels of the upper lakes to those capable of proceeding to Montreal, but Buffalo seems likely to remain the principal transfer point for the New York route.

Elevator accommodation for Western grain is rapidly increasing. The Spillers elevator at Vancouver is far advanced in construction, and is expected to be receiving grain before Christmas. The new government elevator at Edmonton, which has a capacity of 1,000,000 bushels, has just opened. It will serve a useful purpose in storing grain intended for the Vancouver route at times when that port and the rail lines leading to it are congested, and when grain is to be dried, for no one will take the risk of shipping damp or tough grain by the Panama route. Two private elevators at Port Arthur, each one million bushels capacity, one owned by the Bawlf, and the other by the Stewart interests, were opened last year for the first time. Scores of new country elevators have been erected this year, chiefly at points made accessible by new branch line construction either of the Canadian National or the Canadian Pacific Railway.

EXPORTS OF MOTORS ARE FALLING OFF

Repeal of McKenna Duties a Factor But Difficult to Judge Extent

From Our Own Correspondent.

OTTAWA.—The September trade returns show that exports of automobiles to the United Kingdom have at last begun to fall away sharply. The number of cars shipped to that country was 680, valued at $576,121. Of these 169 were freight valued at $72,787; while 511 were passenger valued at $473,334.

In September of 1923 the number of cars shipped to the United Kingdom was 1,154 valued at $803,313. The decrease has been much more marked in the case of passenger than of freight automobiles. It is impossible to see whether this development has been due to the repeal of the McKenna duties or not; for it is to be noted that shipments to all countries were much smaller. In September, 1924, exports of freight cars to all countries were only 751, as compared with 1,257 for the corresponding month last year; exports of passenger cars were only 2,179 as compared with 5,095 for September, 1923. Canada's second best customer for cars last month was British India, which took 529.

Tourist Revenue Equals That of N.B. Province

From Our Own Correspondent.

ST. JOHN, N. B.—Tourist traffic in New Brunswick during the past summer left nearly three millions of dollars in the province, an amount almost equal to the total provincial revenue, is the estimate of proponents of a scheme for increasing tourist travel by a publicity campaign. That 70,000 tourists came to New Brunswick this year, C. B. Allan, secretary of the N. B. Tourist Association, estimates.

Irrigation of Farms Becomes Widespread

From Our Own Correspondent.

LETHBRIDGE, ALTA.—The gospel of fall irrigation is being followed, thousands of acres having been thoroughly soaked this fall. It has been repeatedly demonstrated that fall irrigation practically means a crop the following season, the reservoir of moisture tiding the crop over the critical period of germination. In the Lethbridge northern tract, the farmers have taken hold of the water and applied it both to stubble and summerfallow. The same is true on the C. P. R. southern tract. Here large areas of sugar beet land have been treated, as it is virtually certain that the Utah-Idaho Sugar Company will build a refinery in Southern Alberta next year. Six thousand acres of beet land has been pledged the big United States concern.

NEED NEW MARKET FOR DISPOSAL OF CANADIAN CATTLE

Lower Production is Predicted Due to High Price of Corn

From Our Own Correspondent.

WINNIPEG.—There is but one unsatisfactory item in the Western farmer's price list at the present moment. Grain prices are at undreamed of high levels. Hog prices, although not high enough to satisfy in relation to the price of grain, do not mean lost money, but cattle prices are at disappointingly low levels, almost disastrously low. And, peculiarly enough, some of the very causes that are producing low prices now seem likely, given sufficient time, to work the other way, and bring about higher prices both for cattle and for beef on the consumer's table. Possiply by April or May a very considerable change may have come about.

Thousands of Western cattle are coming on the markets, now selling at prices anywhere from $20 to $60. Recently, it has been practically impossible for the best animal to reach $75, and the great bulk of cattle are selling below $50 a head. Representing two years' care, or more, the return is not very satisfactory.

Practically speaking, our cattle prices just now are governed by the level of prices in the United States. That country has a duty of 1½ cents a pound against our light cattle, and of 2 cents a pound against our heavy cattle. These duties are spoken of sometimes as being prohibitive. Actually, they are nothing of the kind. Our cattle keep going to the United States because there is no place else for them to go. The Western farmer pays the duty in order to get his cattle into the United States because he must. His returns are reduced by from $15 to $25 a head, which goes to the treasury of the United States. The duty does not do much good to any one, because, compared with the cost of collection, the revenue to the government is small, and the number of our cattle is not large enough to be a matter of great significance in the markets of the United States Whole trainloads of our Western cattle have recently been dispatched to Chicago to be sold at from five to six cents a pound live weight, which means that farmers got for them at Winnipeg from 2½ to 3 cents a pound, or $25 to $30 a head. The reason feeder cattle are cheap in the United States just now is that corn is so expensive. No one wants to take the risk of buying it for cattle.

Difficulties of the British Market

If it is asked why the British market does not afford an outlet for Western cattle, the answer is that the results of the removal of the embargo have been very disappointing. The cattle that are going to Great Britain are mostly fairly well finished cattle from Ontario. They are shipped as "store" cattle under the somewhat elaborate regulations imposed before such cattle can be admitted to Great Britain for feeding purposes, but actually, in the majority of cases, they are slaughtered for beef at the port of landing just as if the embargo were still in existence. Leaner cattle, of an unquestioned "store" type, are not sent over in any great numbers, partly because only the most valuable cattle can stand the transportation cost. Partly, also, various restrictions imposed from time to time in England on the movement of cattle, because of the foot and mouth disease, have interfered with free movement of cattle to inland points.

There is a further reason, which is slow in obtaining recognition, and which may require some action by the Dominion government. There is as yet no active demand from the British farmer for Canadian store cattle, and little effective machinery for their distribution after being landed. When the embargo was first removed, the arrival of the first shipments of cattle in Great Britain was exploited to a tremendous extent, so much so, that a considerable number of farmers were induced to attend the first auction sales, and to bid such good prices on Canadian cattle that they lost a good deal of money when these same cattle were returned to market in a finished condition some weeks or months later, and, in the meantime, the general level of prices for both beef and cattle had dropped. As a country we seem to have oversold our market at first, and then to have neglected entirely the question of salesmanship ever since. If our store cattle are going to find a satisfactory market with English farmers, more attention has to be devoted to selling them; to making the English farmer realize that they are good, and in making sure that there are efficient channels of distribution by which they may reach his farm. The legal embargo, prohibiting the admission of our cattle for feeding purposes, has been abolished. We have still to overcome the embargo which custom, prejudice, ignorance, forgetfulness, and competitive supply, built up against our product during thirty years.

West in Better Shape Than For Some Years

WINNIPEG.—"Although our reasons may be primarily selfish, we in the East are paying regular visits to the West to study the difficulties that confront the Westerner, and to try to help him solve them, but I wish sincerely that more Westerners would come East and study our problems," said H. F. Gooderham, of Toronto, president of the Union Trust, on his return from his visit of inspection to the West.

"I find the West in better condition now than for some years, with the farmers most optimistic as to the future. Although the crop may be on the small side, the high prices now pertaining will compensate for this. There is another good sign, and that is that the farmers are making no attempt to avoid their liabilities, but are making every effort to get square as soon as possible."

The Trend of Business

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LOW WAGES HELP FARMER

A big factor in placing the Western farmer in a better position is the reduction in wages from the high levels of war years to an average of from $3 to $3.50, according to R. O. McCulloch, vice-president of the Mutual Life, who has just returned from an extensive trip through the prairie provinces.

Invest Now in Anticipation of November Funds

On November 1st the Dominion Government will pay to holders of maturing Victory Bonds over $100,000,000. Investors should plan now in order that funds thus released may be advantageously reinvested.

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WAYAGAMACK'S PLANS CALL FOR 200-TON PLANT

Two New Bond Issues, at Least One for Canadian Market

From Our Own Correspondent.

MONTREAL. — Shareholders of Wayagamack Pulp and Paper Company will meet November 27 to consider financing of the company's proposed new mill for the manufacture of newsprint. As the cables announced this week, the British government is extending to the company a guarantee of 400,000 pounds sterling, which will be used to purchase machinery in the British Isles. The company's letter to shareholders, going out this week, is not very clear as to the arrangements for getting this money, but it is to be presumed that it will be borrowed in Britain at a very low rate of interest—probably around 4½ per cent. In addition, $1,500,000 will be raised by a bond issue in Canada.

The erection of a newsprint mill will be carried out through a subsidiary company, to be organized under the name of Wayagamack News, Limited, all of the capital stock of which will be owned and controlled by Wayagamack Pulp and Paper Company.

Wayagamack Will Operate

The new company will purchase vacant land from the parent company and its mill, when completed, will be leased to the parent company for a term of years.

Wayagamack News will issue £400,000 of first mortgage serial bonds and also $1,500,000 of second or general mortgage bonds.

The issue of $1,500,000 of general mortgage bonds will be sold by Wayagamack to the parent company and used by the latter as collateral for an issue of a similar amount of its own bonds. This will involve the sale of a new issue of $1,500,000 of bonds of Wayagamack Pulp and Paper Co., which it is to be expected will be sold to Canadian investors. They will rank as a general mortgage after the present issue, will bear 6½ per cent. interest, and will mature in five years.

With the funds thus provided it is hoped to build and equip the plant for operation before the end of 1925.

Advantages of the Plan

A letter to the shareholders, outlining the plan, points out that the erection of the newsprint mill of 200 tons per day will "not only enable your company to manufacture a new product for which there is a large demand at profitable prices, but will also provide a market for a portion of the pulp which it now produces.

"The increased production will, furthermore, result in substantial economies by reason of the additional spread which it provides for the absorption of fixed overhead expense."

Investment circles seem to agree with the directors on this point. It is felt that, notwithstanding present conditions in newsprint markets, Wayagamack will be able to make money out of newsprint from the start. The company has the timber limits to back the enterprise; it has a convenient location with tidewater shipping; it already has an excess production of sulphite pulp which is being sold in not very satisfactory markets; it has export connections that should make it possible to develop foreign markets for newsprint. The stock showed little action following the announcement, but the bonds were strong and advanced over 80.

Bacon and Hog Prices Strengthening of Late

Strength in U. S. Packing issues, which has been reflected in the Canadian shares of Wm. Davies, is attributed to heavy purchases of bacon in the United States by Germany. The day of our supply of bacon, they say, is at an end, with the result that prices are already stiffening both in Canada and the United States. Higher hog prices are also recorded, and shipments from Canada to the United States have commenced. Besides, the Old Country bacon market is better, and this is another factor in better prices. Wm. Davies "A" has moved up to 26½ compared with a low for the year of 11¾.

SEA SLED COMPANY

At a meeting of shareholders of the Sea Sled Company, Limited, an issue of $200,000, 8 per cent. preferred stock was authorized to be offered at 90. It is understood that only $100,000 will be issued at the present time, the balance remaining in the treasury.

FIELD WHICH GAVE CALGARY OIL BOOM PROVIDES GASSER

Imperial Subsidiary Brings in Important Well Near Okotoks

From Our Own Correspondent.

CALGARY.—What oil experts in the West describe as "the largest 'wet' gas well in Canada" has just been "blown in" near Black Diamond, in the Turner Valley field, about 40 miles south of Calgary. This is the Royalite No. 4 well owned by the Northwest Company, the development branch of the Imperial Oil, Limited. At the present time the gas flow is estimated at 19,000,000 to 20,000,000 cubic feet daily. The gas is saturated with oil which is of a green paraffin base, similar to the Pennsylvania product. Gas was struck at a depth of 3,740 fet. S. G. Coultis, superintendent of the extraction plant at Black Diamond, has made an absorption test, and found that the gas registered 22 degrees below zero. The average temperature of gas from other wells in the field is about 40 degrees above zero. The extreme low temperature is accounted for by the expansion taking place due to high pressure. Drillers are now working at anchoring the casing in order to make it safe to close the valve and cut off the flow. When this is done, it will be possible to take the rock pressure.

In Old Field

A. W. Dingman, pioneer oil and gas man of Calgary, who was the original owner of the well, and who has just returned to the city from Black Diamond, states he is hopeful the well will "blow itself in" to a large oil production. He made the guess that with the present flow the well was producing more than 100 barrels of crude oil per day outside of the gasoline content of the heavily saturated "wet" gas. The force of the gas when it "blew in" was so great that it shot the steel drilling cable out of the hole like a twisted piece of thread, and carried away part of the derrick house.

A. W. Dingman drilled the first well in the area in 1914, known as the Calgary Petroleum Products Well. It started the famous Calgary oil boom of that and succeeding years in the Okotoks district. Mushroom "oil" companies sprang up by the hundreds and an orgy of stock selling with comparatively little drilling ensued. The result was that the field was given a black eye from which it has been years in recovering.

Gasoline Plant Operates

Ultimately, the Dingman No. 1 well, and another well, No. 2, were taken over by the Royalite Company, a subsidiary of Imperial Oil. The company put in a modern gasoline extraction plant, and also drilled two other wells. The gas from the wells, by a later arrangement with the Gas Company of Calgary, and the city, was sold to the Gas Company, and a total of approximately 7,000,000 cubic feet of gas from this field has been available for Calgary consumption through the compressor plant installed by the company. Some time ago it was decided to deepen the No. 4 well for an experimental oil and gas test of the field, and this is the well which has now come in with the big flow.

Dominion Stores Now Operating 335 Branches

Dominion Stores are now operating 335 stores, as compared with 285 at the first of the year. Sales for 1924 to the end of September almost equal the total of 1923, with the three best months of the year, October, November and December, the peak month in grocery turnover, to come. Morley Smith, secretary of the company, states that the chain store is now firmly entrenched in Canada, and there seems to be no reason to look forward with anything but the greatest confidence in the progress of the industry. The growth shown in the past two years has been in the face of what may be generally regarded as rather trying business conditions in Canada, and, while the chain is favored in that it weathers lean periods satisfactorily, nevertheless a period of normal prosperity would doubtless accelerate the growth in gross turnover of the existing stores, and would probably tempt expansion.

GOING TO NEW YORK

Robert Cassels, senior member of Cassels, Browne & Co., brokers, is going to New York to join a large house there. He is president of Toronto Stock Exchange. The firm will be wound up.

News and Views for Investors

BOND REDEMPTION WILL INFLUENCE STOCK MARKETS

Large Amount of Funds Will be Free With Bonds Scarce

There has been a much better tone to the Canadian Exchanges of late. The street attributes this in no small part to the influence which the taking up of $107,000,000 Federal bonds is bound to have on securities of all kinds. To meet a part of this issue, Ottawa not long ago sold $50,000,000 of bonds on the open market. A portion of the bonds were exchanged by the holders of the new issue, but it is stated that the bulk of the bonds, and certainly $57,000,000 of them, will be redeemed with the funds going back into the hands of the investors, who by the way are considered small and, therefore, numerous. Thus a large amount of investment funds are made available at a time when there is a scarcity of bonds. This, the street says, is bound to effect, more or less all classes of stocks, but will have the greatest effect on stocks considered in the investment class. Heavy buying of these shares, which for the most part are in strong hands, they say, would soon result in higher prices, reduce the yield and make them unattractive with the result that the street expects that most groups will come in for a share of the interest. It is also noted that such a movement is being felt in unlisted securities as prices on unlisted shares have in many cases firmed during the week..

The following table would seem to support the contention of the street. It reveals a material increase in activity. Gains are much more numerous than during the past few weeks and losses, which exceed the gains, are also higher. With most groups, however, these losses and gains were for the most part fractional. The paper group was an exception. These shares have been more or less weak for some three weeks now, first on the report that exports were declining and secondly on the cut in price to $70. The steel losses were fractional, while there also appeared to be quite a bit of selling in the ultilities. Two features of the week were the strength in textiles and industrials. In the former group there are expectations that from now on the industry, which has been in a really bad way, will improve. The industrial share interest is on the expectation of better business. The table follows:

	Gains	Loss	Unchg.	Total
Banks	4	4	3	11
Paper	1	10	..	11
Steel	3	7	4	14
Milling	4	3	2	9
Utilities	6	8	2	16
Transportation	6	5	1	12
Textiles	5	1	..	6
Industrial ...	14	11	9	34
	43	49	21	113

P. Burns Co. Report Shows Various Changes

A summarized balance sheet of P. Burns & Co., for the fiscal year shows a small reduction in working capital. Fixed assets stand at $5,648,811, compared with $5,069,163. Current liabilities are $2,254,203, compared with $1,169,592. Agreements of sale total $264,987 and investments $728,025 compared with $272,331 and $828,541 respectively of a year ago. Reserves are higher $2,436,745 compared with $2,141,989 while capital bonds and surplus stands at $6,845,257 compared with $7,097,900 a year ago.

Flour Exports Lower Till Wheat is Stable

On account of the very drastic advance in wheat prices, Canadian export flour business has declined to a minimum. European buyers are not following the markets on this side, as they had already made liberal purchases at much lower prices. Until a stable domestic market exists in wheat, it is not thought likely that export business will improve to any material extent. The present condition is regarded as temporary, and prospects for Canadian flour shipments to foreign countries continue very favorable. There has been some improvement in foreign demand reported of late after a few months of comparatively slow buying.

Our export shipments of flour are now about fifty per cent. higher than domestic sales, the export markets taking about 12,000,000 barrels annually, as compared with about 8,000,000 barrels consumed at home.

NATIONAL FARM MACHINERY

Information reaching Quebec from Montmagny is to the effect that the huge plants, the machineries and the properties of the ill-fated Machine Agricole, Limitee, which fell into the hands of receivers three years ago, are shortly to be disposed of by auction.

During the war, the plant, which at the time was used for the fabrication of shells, gave employment to some twelve hundred men. After the war, extensions were made, and the unfortunate operation of the factory under the name of the Machine Agricole for the manufacture of farm implements brought one of the most serious crashes the Province of Quebec ever sustained, even the life of a bank being threatened and only saved through the intervention of special legislation.

In fact, only for the arrangements made by the Banque d'Hochelaga merging with the Banque Nationale, over $600,000 would have been lost by estates and investors, who are now being reimbursed.

Share Exchange Fees Are Graded Too High

Complaints are heard of the high scale of charges which is being levied by some companies in the exchange of shares. Recently THE FINANCIAL POST called attention to the methods being employed by an oil company to get an enlarged income from this source, and it is evident that others are doing the same. One company is reported as now levying $1 per certificate. In fact, it is said that the share exchange business has got to the point where all kinds of companies are trying to cut in on it. Representations have been made to Queen's Park to have this profiteering blocked by an amendment to the Companies Act, and some such scheme is said to be on foot.

ACCUSE BROKERS OVER TALES ABOUT ENGLISH ELECTRIC

Heads of Company Say Shareholders Being Induced to Sell

Shareholders of English Electric are being approached by a firm of brokers of Toronto, telling them wild tales about the position of the company, and urging that they sell their stock or change into something else. In one case it is said they told a woman that the company would blow up in a couple of weeks and the price of the stock would drop away down. Attention of the heads of the company has been called to these tactics, and the question of whether or not a criminal prosecution is possible is being looked into. The stories are directly contrary to the facts. The company is doing well, so well that heavy buying orders on the part of insiders are known to be hanging on the market. During the year the company has booked a lot of big orders for electrical equipment. This is a class of work not tackled before. Gordon Perry, chairman of the board, says they are well satisfied and there is no cause to worry only over the actions of rotten brokers.

Twenty-five shares of stock which the brokers in question succeeded in getting last week has been traced through the hands of two other brokers, and is now owned by one of the largest preferred shareholders of the company.

City Hall Agitation Weakens City Dairy

The break which recently started in City Dairy common, the first since the split of the stock, has carried it down from a high of 65½ on Sept. 22 to the present price of 58. Undoubtedly considerable of the selling is due to the agitation at the Toronto City Hall for an investigation of the milk business. Shareholders about midsummer received four shares of new stock for each one of old. It was expected that this would bring about some selling, but the agitation at the city hall seems to have started the first liquidation.

Abitibi Will Push on Long Sault Development

Abitibi Power and Paper Co. are going ahead with the development of Long Sault rapids, and will build a dam to develop 30,000 h.p. The plans are to add to paper production to reach 800 or 1,000 tons daily, when the power is ready. It is believed that had the Northern Power-Hollinger deal gone through. Abitibi would take over the Hollinger power.

DOMINION BRIDGE COMPANY

The Dominion Bridge Company has been awarded the contract for the steel work for the new building being erected by the Gazette Publishing Company in Montreal. As work goes to-day, the contract is quite a large one, as it is for 2,400 tons of steel.

The new "Gazette" building will be erected on the south side of St. Antoine Street, occupying the blocks between Cathedral and Ste. Cecile Streets. The old buildings on the site are being demolished to make room for the new structure.

AUGUSTINE RESUMES MOTOR STOCK SALES

Investor Explains That There is no Legal Objection to Financing New Engine

The temporary injunction secured by the attorney-general of New York restraining the officers of the Champion Rotary Motors Company from selling stock in the corporation, has not been sustained, and the sales campaign is being resumed, according to Benjamin F. Augustine ,inventor of the Augustine Rotary engine, who has been in Toronto this week. The Champion Company was formed as a manufacturing corporation to put the Augustine engine on the market, securing a license from the parent company covering rights for the United States.

Mr. Augustine states that the judge in dismissing the injunction asked that some changes be made in the statements made in the selling literature, but took the stand that it was not the intention of the act, under which action had been taken, to prevent the investing public from speculating on new inventions, but rather to protect them from fraud.

The Augustine engine has now been before the public for some years. The inventor says that the present engine represents the development of ten years' work in applying the rotary principle to automobile operation, and he believes that he is now ready to put on the market something that will revolutionize the motor industry. In support of this, he exhibits an engine for which a claim of 76,000 miles in a heavy car is made, together with impressive records in hill tests. Advantages are claimed in eliminating radiator and fan, simplifying the control and cutting the number of engine parts to a fraction. Certified tests by engineering experts are lacking, but the inventor says that he has not asked for such tests, and prefers to have the public judge the engine on actual performance.

If the American company is successfully launched, a branch will probably be organized in Canada.

PROVINCES OPPOSE DOMINION ACTION ON INSURANCE ACT

(Continued from page 1)

quately covered by legislation in most of the provinces for many years.

While there was no immediate conflict in the case of the latter two the report indicates a feeling that the legislation was an attempt to further assert the Dominion jurisdiction.

A protest was made by the provinces with the result that the case of each side was heard before the banking and commerce committee of the Senate and the act amended so that it should not come into force until proclaimed, the object being to have its validity tested in the courts. The amendment was concurred in by the Commons and passed. However, contrary to the expectations of those opposing the legislation, the act was proclaimed on the day the House prorogued.

The putting of the act into force in this way has been followed by a strong protest. Hon. W. F. Nickle, attorney-general of Ontario, wrote the acting minister of finance, Hon. Geo. P. Graham, in part as follows:

"It is not too strong to say that I was dumb-founded to learn that your government had proclaimed Section 7 of the bill the very day that the bill itself was given the Royal Assent by the Governor-General. If I had been told that six provinces of Canada could unanimously protest a piece of Dominion legislation on constitutional grounds and carry their case unanimously in a committee of the Senate, and that a Dominion government would in the face of that protest and that unanimity of opinion, bring the protested legislation into force on the very day the House prorogued, defying the spirit of the amendment, repudiating the unanimous decision of the only committee of the House to which the merits of the case were presented and brushing aside the protest of the provinces as though they had never been made, I would have ridiculed the assertion and refused to believe that such an action were possible. The provinces asked for a conference and a reference to the courts before the section was proclaimed; Mr. Finlayson advises that the section has been proclaimed and then offers a conference. It is surely little satisfaction to lock the door after the horse is stolen.

"I have advised Mr. Finlayson in response to his suggestion that I shall be glad to see him personally at any time, but I want him to know, and I want your government to know, that this province resents the affront which it has suffered at the hands of your government in the matter of this legislation, and that I am not interested in a discussion of the merits of the legislation after it has been proclaimed, and further, that a conviction is gradually dawning upon me that the only way to confer with your government upon the subject-matter of insurance is through the medium of the courts. I can assure you that the province of Ontario will take all necessary steps in the future as in the past, to enforce and strengthen its jurisdiction over the business of insurance in the province."

The business community will await the future action with much interest, as the principle effects the jurisdiction over a wide sphere of activities.

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Utilities

MONTREAL PEOPLE GET 1c. BACK FOR EACH CAR TICKET

That is Where People of That City Have it Over Toronto

From Our Own Correspondent

MONTREAL.—In Montreal, the citizens pay to their privately-owned street car system almost exactly the same average fare as the citizens of Toronto pay to their transportation system, owned and operated by the city of Toronto. The difference, which is small, favors the Montreal street car riders. Both cities are under a form of "service at cost."

The average revenue per passenger in Toronto is 6.15 cents. In Montreal it is 6.06 cents. Adding revenues from advertising cards, etc., the average revenue per passenger in Toronto is 6.20 cents, and, in Montreal, 6.23 cents.

Toronto's street car system is practically tax free. Montreal's is subject to heavy city taxation. Out of every 6.23 cents received per passenger in the twelve months to June 30 last, the Montreal system paid four-fifths of a cent to the city of Montreal for taxes, snow removal, rental of streets, etc. Adding the amounts paid by the tramways company for paving charges, the city residents got back about one cent for every ticket they put in the fare box.

Public vs. Private Ownership

These figures are available because of the recent publication of annual reports of the Toronto Transportation Commission, and of the Montreal Tramways Commission, covering, in each case, the last fiscal year of operation. They indicate the difference between "service at cost" under private ownership, with a form of control by a citizen commission, as exemplified in Montreal and public ownership, as exemplified in Toronto.

Recently, a Toronto paper ran a series of articles attacking the Montreal Tramways contract with the city as a form of "grab." The chief end of the attack was to prove that Montreal people were paying street car fares that permitted a fixed return to the owners of the Montreal Tramways Company on an inflated capitalization that does not represent the real values of the company's properties.

Comparing the Figures

Investigation into this point reveals the interesting fact that Toronto's publicly-owned system, as a result of the enormous expenditures of the past few years, has a much greater capitalization than Montreal's system, figured either as a total or on a basis of averages.

The Toronto system showed—in the last annual report—a valuation for land, building and equipment, of $43,038,975. That is the capital valuation of the system. The Montreal system is allowed to earn a return on a capital valuation of $39,143,587. This is shown in the last annual report of the Montreal Tramways Commission, just issued.

However, total figures are not fair for purpose of comparison. The two systems are of different lengths. Montreal has 275.5 miles of track; Toronto has only 221.9 miles. They vary in patronage. Montreal's system carried over 200,000,000 passengers in the year; Toronto's carried only 189,-000,000.

Making a comparison on this basis, it is found that the capital valuation of the Montreal system is 19.56 cents per passenger, as against 22.75 cents per passenger for Toronto. It works out at $142.076 per mile of track, as against $193,921 per mile of track of the Toronto system.

Set down for easier comparison, the figures are as follows:

	Montreal	Toronto
Rev. passengers	200,035,062	189,114,514
Track mileage in streets	257,088	193,040
total	275,510	221,940
Capital value	$39,143,587.15	$43,038,974.86
Capital investment—Per passenger	19.56c.	22.75c.
Per mile track in streets	$152,257	$222,953
Per total track mileage	142,076	193,921

Montreal: Year to June 30, 1924.
Toronto: Year to Dec. 31, 1923.

In his last annual report, H. H. Couzens, then general manager of the Toronto Transportation Commission, pointed out that the capitalization of the Toronto system included $11,188,-500, the amount which the Toronto Transportation Commission was required, by award of a board of arbitrators, to pay to the former owners of the street car system when it was taken over by the city. "This," he said, "is greatly in excess of the value of the assets transferred to the commission for incorporation in the united system." Even if one were to be generous to Mr. Couzens and admit some truth in this statement, it is obvious that the charge that the Montreal Tramways Company is allowed to earn a return on an inflated capitalization is either untrue or is a damning indictment of the publicly-owned system in Toronto, which should, according to its supporters, be able to remedy such an "evil."

Claimed Valuation is Larger

Having quoted Mr. Couzens' claim, it is only fair to point out that in Montreal the valuation of the tramway properties, allowed by the Tramway Commission, and on which the company is allowed to earn an interest return, is some $4,000,000 to $5,-000,000 less than the valuation of the properties claimed by the company. The new annual report of the Montreal Tramways Company is not ready, so that the figure cannot be compared with the most recent tramways valuation, but the 1923 report showed cost of road and equipment at $43,549,757, and it is safe to assume that this will show considerable increase this year. Yet the valuation allowed the company is only $39,143,-587, and it must make all its reserves, interest, and dividends, from earnings on this valuation.

Reference was made to the fact that the two cities aim to provide a service at cost. This is literally true with Montreal, as with Toronto, for the only disbursements made by the Montreal system apart from expenses, interest, taxes, etc., are dividends on $4,000,000 of capital stock—assuredly a small capitalization for a company with $45,000,000 of assets. This stock represents cash investment in the company's properties. The dividend rate is 10 per cent. Yet out of every street car fare paid in Montreal only one-fifth of a cent is required to pay the company's dividend—a small fee to pay for the assurance of the sound and efficient management given the company. If taxes to the Dominion government, cost of financing, payments to shareholders, and transfer to profit and loss account, are all lumped together, only two-fifths of a cent is required from each fare. All the remainder goes for the direct benefit of the riders either in the form of interest on capital borrowings, expenses and maintenance, or payments to the city. And, as was pointed out before, these payments to the city amount to approximately one cent per fare, or five times the amount that is paid from each fare in dividends.

The total amount paid to the city of Montreal since operation began under the contract in 1918, has been $5,254,933 for taxes, snow removal, and city rentals, in addition to about $1,500,000 or more for paving work undertaken by the tramways company. For the twelve months to June 30, 1924, the payments to the city were:

Snow removal	$ 336.761
Taxes, permits, licenses, etc.	302,618
City rentals	1,048,695
Total	$1,688,075
Add paving (approx.)	250,000

D.U.R. WILL EARN ITS FIXED CHARGES

Company is Rapidly Acquiring Chain of Bus Lines Around Detroit

From Our Own Correspondent.

MONTREAL.—Sir Thomas Tait, a vice-president of the Detroit United Railways, expects the company to more than earn its fixed charges for 1924. In an interview this week, he is reported to have said that the report which has appeared in the press that by the first of the year the company would face a deficit of one million dollars is absolutely without foundation, nothwithstanding the general depression in business and the slackness in the automobile industry and other unusual adverse conditions which have prevailed during the last six months and which have seriously affected its revenue.

With reference to the application made by the Detroit United Railways to the Public Utilities Commission of the State of Michigan to approve of an issue of $2,000,000 of second mortgage bonds, Sir Thomas states that, while the minimum price at which these bonds may be sold is fixed by the application at 75, it is not the intention to dispose of these bonds at any such price, indeed it is not proposed to make any public offering of these bonds at the present time or even in the near future.

The price of the Coach Motor Co., a subsidiary of the corporation that owns the Detroit United interurban lines and which was incorporated several weeks ago, paid for the White Star Bus Line, owners and operators of buses between Detroit and Port Huron and Detroit and Flint, is said to have been $175,000.

The D.U.R. has also quite recently purchased the Wolverine Transit Co. that has a permit to operate ten buses between Detroit and Mount Clemens.

Purchasing the White Star and the Wolverine companies is part of the D.U.R. general plan to meet the rapidly growing competition of motor buses to the several lines of interurbans out of Detroit.

Oppose Refinancing Plan of Twin City Company

Twin City is reported as facing opposition from Minneapolis in its effort to make an issue of 5½ per cent. refunding notes to redeem a like amount of first mortgage bonds, about due. The city contends that the law provides that the aggregate par value of notes and other indebtedness should not exceed 85 per cent. of fair and reasonable value of the property. Horace Lowry, president of the Twin City Rapid Transit Co., said that the law did not apply, and that the company would be saved $50,000 by this proposed financing.

Mexican Securities Are Coming to the Front

Mexican securities, government, railway and utilities, have been strong the past few weeks, the principal reason being the prospects of an American loan, together with the readjustment of the present onerous taxation. The rise in the public utility section should not necessarily be regarded as simply a corollary to that in the others. Securities such, for instance, as those of the Mexican Light and Power Company, have their own intrinsic worth, which is becoming more and more widely recognized. Anything that benefits Mexico must naturally benefit the Mexican Light and Power Company, but the record of an undertaking which in two years paid off arrears of bond interest to the extent of $6,-750,000, put back $4,250,000 into its capital account, and whose development continues apace, speaks for itself.

Textiles

FUTURE OF COTTON INDUSTRY DEPENDS ON CO-OPERATION

Competition by Small Dealers Disorganizes Markets

Business booms and depressions have their effect on the whole cotton industry, and are likewise felt by the various branches of the clothing and textile trades as well. Men close to these industries say that if speculation and gambling could be eliminated, and security of contracts and the steadying of employment assured, the industry would be in a much more stable condition. This is the object which a special cotton emergency committee has had in view for the last few years in intensive investigations they have been making into conditions that affect the cotton industry as a whole. These investigations have covered the great cotton-producing countries of the world—England, America and Egypt. They point out that present conditions are undoubtedly due to the aftermath of the war, and that the alternative periods of boom and slump which are so detrimental can be avoided by a permanent organization of the industry. One of the things that is urged is the building up of a reserve of cotton when conditions are favorable, so that cotton supplies can be regulated from one year to another. Such a plan would be a powerful factor in eliminating the gambling operations. Another factor is the absence of a controlling authority to enforce uniformity, as, with the facilities possessed by many mills for changing their spinning from American to Egyptian cotton and vice versa, it is quite clear that the successful handling of the industry depends upon its being dealt with as a whole.

The Question of Labor

The committee has had some strenuous opposition from certain labor federations. These federations contended that a reduction of working hours would give more constant employment, and would have a marked tendency to stabilize the whole cotton industry. Actual conditions under the plan they suggest do not seem to have eliminated these troubles. In certain sections of the United States some of the mill owners tried the shorter hours plan, but it did not bring about the promised stabilization.

What the committee aims at is a form of control for the whole industry which will not only put the trade right at the moment, but will keep it right. When, as often happens, as much as fifteen months elapses between the breaking of a bale and the time the cloth reaches the merchant's shelves, it will be seen that ample opportunity exists for trade troubles and disputes between contracting parties. If a famine occurs in India, or a revolution in China, the industry becomes disorganized, and it is madness to go on producing as though no such contingency had arisen. The benefits accruing from unity of action in such circumstances are incalculable, but, as things stand to-day, the industry has to suffer loss owing to a small minority of employers who remain outside the federation, and who seek to profit by any organized scheme that is put before it. In other words, more co-operation and less competition are desired. It is estimated by the committee that during the last four years there has been a loss of about £200,000,000, a great part of which might have been avoided if there had been a scientific control of the industry, such as is suggested in the report of the emergency committee.

CANADIAN CONVERTERS

While the Canadian Converters Company is small compared with many other issues listed on the Montreal Stock Exchange, yet it has many features which appeal to us, and which we think are worth while investigating, says the Quarterly Review of Hanson and Ferguson. The total capital is only $1,733,-500 of stock (all one class) with only $399,000 of bonds outstanding, which are due in 1926.

Total assets of the company amount to $3,274,068.43 in April of this year, against $3,447,688.17 last.

Current assets stand at $921,308.87 against $1,109,158.03, a decrease of $187,849.16.

Investments in Victory Bonds, which are not included in the above quick assets, are $355,110.28, against $419,-463.84 in 1923.

Current liabilities, however, are only $156,683.69 in 1924 against $360,303.30, a decrease of $203,621.61.

The net working capital is therefore only decreased from $1,168,313.57 in 1923 to $1,119,735.46 in 1924, an amount of $48,578.11.

Total reserves and surplus now stand at $984,884.74 as compared with $954,-880.47, an increase of some $30,000.

The book value of the stock now stands at 157, as against 155 per share. Profits for 1924 were $194,778.27, as compared with $202,300. From these profits must be deducted about $69,000, required for bond interest, taxes and depreciation, leaving about $130,000 for the payment of $121,000 for dividends.

From the above figures it will be seen that the company is in good liquid shape, and that in the course of two years the stock will be the only fixed liability of the company.

UNLISTED SECURITIES

Industrials, Utilities, Etc.—	Bid	Asked
Can. Westinghouse, pref.	133	136
Cockshutt Plow, 7%, pref	24	26
Collingwood Shipbuilding, com	50	55
Cosgrave	6½	8
Dom. Power, pref.	95	97
Dom. Power, com.	35½	37
Dunlop Tire, 7% pref.	81	84
Durant Motor "A"	4	5
Durant Motors "B"	5	6
Durant Motors "C"	6½	7½
Dominion Combing	60	70
Dominion Linens, com.	4	10
Dominion Linens, pref.	22	30
East Kootenay Power, com.	46	50
English Electric, pref.	46	49
Famous Players, pref 50% com.	70	72½
Gunns, Ltd., pref.	28	30½
Imperial Tobacco, com.	5½	6½
King Ed. Hotel, deb. A.	59	62
King Ed. deb. B	35	37
Loew's Ottawa, pref.	22	24
Loew's London, pref.	4½	5½
Loew's Hamilton, com.	4	6½
Loew's Toronto, com.	27	32
Mount Royal Hotel, pref.	39	41
North Mexico Power, com.	17	19
National Brick, pref.	50	53
Provincial Bank	114	118
Robt. Simpson, pref. 6%	96	99
Western Grocers, pref.	26	30
Whalen Pulp, pref.	8	10
Loans and Insurance—		
Brit. Am. Assur.	6	7
Capital Life	21½	25
Continental Life	25	29
London Loan	44	48
Manufacturers Life	56	58
Monarch Life, 10% pd.	14	16
National Life, $25 pd.	42	47
Peoples Loan	74	81
Sovereign Life	18	22
Sterling Bank	109	114
Trusts and Guar.	68	71
Western Assurance	7	9
Toronto Finance, com.	1	1½
Toronto Finance, pref.	5½	6

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING OCTOBER 21

	Div Rate	Yield Oct. 20	High For wk.	Low For wk.	Close Oct. 21	Close Oct.14	Sales For wk.	Range 1924 High	Range 1924 Low
Banks—									
Commerce	12	6.18	195	193½	195	193½	259	195	178
Dominion	12+1	7.02	188	187½	187½	187½	72	188	176¾
Hochelaga	10	6.47	154½	144½	154½	144¼	144	154½	143
Imperial	12+1	6.94	187	182	182	186	24	187	169
Molsons	12	7.97	152	148	152	148	49	159½	146½
Montreal	12	4.85	249	247½	247½	248½	215	250	230
Nova Scotia	16	6.20	259	258½	258½	258½	59	260	248
Royal	12	5.08	236½	236	236½	236½	147	237	211
Standard	12	7.08	173	169½	169½	172	87	173	156½
Toronto	12	6.18	195½	194	194	191	42	195½	169
Union	8	7.76	103	102	102	101	403	109½	97
Paper—									
Abitibi, com.	4.00	7.20	57	55	55	56½	840	69	54
do pref.	7	6.98	..	..	..	..	..	103½	98½
Brompton Pulp	..	..	30	28½	28½	29	462	43	26½
Laurentide	6	7.29	82½	82	82	82	1112	98½	82
Price Bros.	2	5.47	37	35½	35½	36	770	45	35
Prov. Paper, com.	6	7.22	..	..	..	..	..	100	82
do pref.	7	7.50	94	93½	93½	93½	100	97½	90
Smith, Howard, com.	..	..	..	..	..	..	..	75	25
do pref.	8	9.19	87	86	87	88	170	100	86
Spanish River, com.	7	6.82	103½	102	102	103½	1086	114½	96
do pref.	7	6.19	113	111½	112	114	1138	120½	106½
St. Maurice Paper	6	7.22	83	81	83	86	245	113½	85
Wayagamack	..	..	36½	36½	36½	36	52	46	32
Steel and Steel Industries—									
B. E. Steel, com.	..	..	2½	2	2½	2½	152	6	2
do 1st. pref.	..	..	30	28½	28½	30	120	57½	28½
do 2nd pref.	..	..	9	8½	8½	9	600	17	7
Can. Car & Foundry, com	..	..	47	45½	47	43½	505	50	36½
do pref.	7+1½	9.19	87	85½	87	84½	889	97	83½
Can. Foundries, com.	..	..	..	..	..	..	..	31	19½
do pref.	..	..	..	..	..	..	..	45	45
Can. Locomotive, com.	4	6.06	..	..	..	..	..	67	65
do pref.	7	8.04	87	86	..	87	26	92½	85
Dominion Coal	..	..	53	53	53	53	3	81	40
Dominion Iron, pref.	..	..	..	..	..	..	..	57	29
Dominion Radiator	7	6.86	102	102	102	99	25	99	94
Dominion Bridge	4	5.55	72	72	72	72	10	80	60
Dom. Steel Corp. pref.	..	..	..	..	..	..	..	73	33
N. S. Steel, pref.	..	..	..	..	..	..	..	68	34
Ontario Steel, com.	4	9.19	44	43½	43½	44	210	45½	39
do pref.	7	8.11	..	..	..	..	..	93	86
Canada Iron, com.	..	..	..	..	..	..	..	8	4½
do pref.	..	..	..	..	..	..	..	30½	25½
Steel of Canada, com.	7	9.15	76½	74	76½	76½	1272	83	69½
do pref.	7	6.79	103	103	103	103½	59	106½	98
Milling—									
Canada Bread, com.	4	4.39	91	90	90	91	214	100	63
do pref.	7	6.93	101	100½	101	101	94	102	95
Inter. Milling, pref.	7	7.14	98	97½	98	97½	35	98	83½
Lake of Woods, com.	12	6.48	185½	185½	185½	186½	25	188	167
do pref.	7	5.83	..	..	..	..	..	120	115½
Maple Leaf, com.	..	..	90	90	90	85	5	90	59
do pref.	7	7.03	100½	99½	99½	99½	67	100½	87
Ogilvie Flour, com.	12+13	7.69	325	321	325	321	131	335	304
do pref.	7	5.78	..	..	..	..	..	121	116
Shredded Wheat, com.	8+2	7.25	..	..	..	..	..	139	135
St. Law. Flour, com.	6	8.95	68	67	68	68	25	75	66½
do pref.	7	7.48	..	..	..	..	..	95	89
West. Can. Flour	8	7.58	105½	105½	105½	105	154	106½	98
Utilities—									
Bell Telephone	8	5.81	137½	136½	137	137½	239	138½	125
Consumers Gas	10	5.90	169½	169	169½	169½	94	170	159
Dom. Telegraph	6	6.52	46	46	46	45½	8	46	43
Kaministiquia	8	7.37	108½	108½	108½	102½	10	113½	96
Mackay, com.	7	6.00	117	116	116	116½	120	120½	102½
do pref.	4	5.92	67½	67½	67½	67	278	71½	60
Mexican Light, com.	..	..	25	25	25	24½	103	25	17½
do pref.	..	..	58½	57½	58½	55½	170	56	38
Montreal L.H. & Pr. Cons.	7	3.78	185½	182	184	183½	3901	187½	140½
Montreal Telegraph	8	6.11	..	..	..	..	..	53	48
Ottawa L.H. & pr.	6	6.59	91	91	91	92½	20	100	82
Quebec Power, com.	..	..	89½	88½	88½	90	90	95½	64
do pref.	7	6.66	105	105	105	105	95	105½	60
Shawinigan	7	5.27	133½	132	132½	133½	498	137½	118½
So. Can. Power	1.00	..	69	67½	69	68	125	71	51½
Transportation—									
Canadian Pacific Rly.	10	6.75	148	147½	148	147	89	154½	146½
Canada Steamships, com.	..	..	16	13½	15½	14	1708	16	10
do pref.	..	..	54½	47½	54½	47½	10752	54½	41½
Tractions—									
Barcelona	..	..	..	..	..	..	..	20	12½
Brazilian	4	7.80	51½	50½	50½	50½	1849	53½	41½
Detroit Un. Rly.	..	..	24½	23½	24½	25	115	72½	25
Duluth-Superior	..	..	..	..	..	..	..	35	19
Illinois Traction, com.	..	..	..	..	..	..	..	103	63
do pref.	6	6.54	91½	91½	91½	92½	35	94	87
Montreal Trams	10	5.68	..	..	..	..	..	179	148
Ottawa Traction	4+1	8.33	..	..	..	..	..	60	30
Porto Rico Rlys, com.	..	..	36½	36	36	36	395	36½	17
do pref.	7	8.53	85	85	85	82	5	85	66
Quebec Rly	..	..	..	..	..	..	..	23	14½
Toronto Railway	..	..	104½	102	104	102½	1193	104½	80
Twin City, com	4.00	9.75	41	40	40½	41	235	79	40
Winnipeg Elec. com.	..	..	29½	28	28	29	110	36½	24
do pref.	7	8.43	83	82½	83	82½	33	87½	75
Textiles—									
Can. Conn. Cotton, pref.	8	..	..	..	..	..	..	80	51
Can. Converters	7	8.80	82	78	79	82	225	90	70
Can. Cottons, com.	8	7.69	104	103	104	103½	110	111	88½
do pref.	6	6.74	..	..	..	..	..	91	86½
Can. Woollens, com.	..	..	..	..	..	..	..	7	4½
do pref.	..	..	..	..	..	..	..	41½	34
Dom. Textile, com.	4.00	6.13	65½	62	64	63	855	66	53
do pref.	7	6.42	109½	109	109½	109	90	110	104½
Monarch Knitting, pref.	7	9.58	..	..	..	..	..	82	65
Montreal Cotton, com.	6	6.45	93	93	93	91	13	100	89½
do pref.	7	6.60	..	..	..	..	..	107	104
Penmans	8	5.39	148	146½	148	145	115	165	134
do pref.	6	6.15	..	..	..	..	..	98	92
Wabasso Cotton	4.00	8,00	..	..	..	..	..	72	47
General Industrials—									
American Salesbook, com.	5	12.50	41	40	41	41	69	47	36
do pref.	7	7.69	91	89	89	90½	41	95	84½
Asbestos, com.	..	..	26	25	25	26	70	35	19
do pref.	6	9.56	62½	62½	62½	62½	50	70½	52
Atlantic Sugar, com.	..	..	..	..	..	..	..	21½	11
do pref.	..	..	36	35	35	37	60	51	32½
Bird & Son, pref.	7	8.75	..	..	..	..	..	140	131
B. C. Fishing	..	..	18½	18	18½	18	55	20½	8
Burt, F. N. com.	10	7.35	136	136	136	136	79	140	127
do pref.	7	5.34	..	..	..	..	..	136	131
Canada Cement, com	6	7.05	85½	84½	85½	86	226	93	83
do pref.	7	6.66	105½	104	105½	104	128	108	102½
Cons. Rubber, pref.	7	8.75	..	..	..	..	..	90	73
Can. Gen. Elec. com.	..	..	..	..	..	..	..	58½	51½
do pref.	7	6.57	54½	53	54½	53½	240	56½	51½
Can. Indust. Alcohol	8	..	44½	41½	54½	42	12985	44½	28
Canadian Salt	8	7.83	..	..	..	..	..	115½	108½
Carr. Factories, com.	..	..	..	..	..	..	..	2½	½
do pref.	..	..	..	..	..	..	..	17	15
City Dairy, com.	3	5.17	61	58	58	62	381	64	40½
do pref.	7	6.48	108	108	108	108	10	110	104
Crows Nest Coal	6	12.76	..	..	..	..	..	51½	46
Cuban Can. Sugar, pref.	..	..	36	35½	36	36	29	54	35½
Dom. Canners, com.	..	..	37	36½	36½	37	157	39½	20½
do pref.	7	7.73	90½	90	90	89½	40	90½	82
Dominion Glass, com.	7	5.90	119	117½	117½	118	726	120	105
do pref.	7	6.54	107	106½	107	106½	24	107	103½
Dominion Stores, com.	1.00	..	36	35	35	35	60	36	24½
do pref.	8	8.42	..	..	..	..	..	97	81
Davies, Wm. (A)	..	..	26½	24	26½	22	153	26½	11½
Eastern Theatres, com.	..	..	14½	14½	14½	14½	2	14½	12
do pref.	..	..	..	..	..	..	..	70	67
Ford Motor	10	..	460	460	460	440	20	485	440
Goodwins, com.	..	..	..	..	..	..	..	48½	17
do pref.	7	10.00	..	..	..	..	..	95	69½
Goodyear Tire, pref.	7+1½	8.91	89½	81	89	81	1439	89½	71
Holt, Renfrew, pref.	7	..	..	..	..	..	..	66	52
Interprov. Brick, com.	6	9.09	..	..	..	..	..	66½	66
King Ed. Hotel	..	..	20	20	20	20	5	21	19½
Lyall Construction	..	..	..	..	..	..	..	21	9½
Macdonald, A.	..	..	..	..	..	..	..	5	4
National Breweries, com.	4.00	6.89	58	57½	57½	58	860	58½	48½
do pref.	7	6.73	104	104	104	104	60	104	99
Pacific Burt, com.	6	6.34	93	93	93	94½	5	101	91
do pref.	7	6.66	106	105	106	105½	54	106	100
Port Hope Sanitary, com.	..	..	58	57½	57½	55	100	58	49
do pref.	7	7.77	..	..	..	..	..	90	90
Rogers, Wm. A. com.	..	..	..	..	..	..	..	70	45
do pref.	7	7.82	89½	89	89½	89½	12	100	86
Russell Motor, com.	..	..	25	25	25	'20	77	25	17½
do pref.	7	11.11	65	63	65	50	58	65	48
Sherwin Williams, com.	6	5.43	..	..	..	..	..	128½	100
do pref.	7	6.79	..	..	..	..	..	103	98
Sterling Coal	4	8.69	45	45	45	46	20	47	40
Tooke Bros. pref.	..	..	..	..	..	..	..	40	38
Tuckett Tobacco, com.	4	6.66	60	60	60	62	25	64½	57
do pref.	7	7.29	..	..	..	..	..	97	92½
Weeds Manufacturing com.	..	..	..	..	..	..	..	35	25
do pref.	7	11.11	..	..	..	..	..	67	63
Trust and Loan—									
Canada Landed	10+1	7.06	85	84	85	85½	23	86	78½
Can. Permanent	12	6.38	189	186½	188	189½	26	190	179
Colonial Invest.	6	..	3	2½	2½	2½	141	7	4
Hamilton Prov.	10	6.84	..	..	..	..	..	146	141
Huron & Erie	7+½	6.19	122	122	121	122	100	125	120
Landed Banking	9	6.52	..	..	..	..	..	148	138
Montreal Loan	12+1	7.02	..	..	..	..	..	46½	46½
National Trust	12	5.45	220	220	220	220	17	228	210
Ontario Loan	..	..	91½	91½	91½	..	58	91½	91½
Real Estate Loan	7	7.86	..	..	..	..	..	89	85
Toronto Gen. Trusts	12	5.66	..	..	..	..	..	212	202
Toronto Mortgages	10	5.86	..	..	..	..	..	85½	81½
Union Trust	7	8.23	..	..	..	..	..	86	84

The Wabasso Cotton Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns

Woods Manufacturing Company, Limited

Jute and Cotton Bags
Hessians, Buckrams
Paddings and Twine
Tents
Flags
Tarpaulins
Clothing and Cotton Fabrics

FACTORIES AT MONTREAL, TORONTO, OTTAWA WINNIPEG, WELLAND

HEAD OFFICE MONTREAL

Dominion Textile Company
LIMITED

Manufacturers of

COTTON FABRIC

MONTREAL TORONTO WINNIPEG

5% Interest Return

INVEST YOUR SAVINGS
in a 5% DEBENTURE of
The Great West Permanent Loan Company

SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

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TRADE MARK

A Compound Interest Bond

Money invested in our Accumulative Bonds earns more than if invested in Coupon Bonds because the interest is compounded half-yearly. This means that the investor receives interest on each half-yearly instalment of interest at the same rate as is allowed on the principal. At present these Bonds are being issued bearing the attractive rate of

5½ PER CENT.

$381.20 invested in a "CANADA PERMANENT" ACCUMULATIVE BOND now will increase in five years to $500.

A pamphlet giving full information regarding these Bonds will be gladly sent on request.

Canada Permanent Mortgage Corporation
14-18 Toronto Street - Toronto
ASSETS EXCEED $43,000,000.00

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Hardwood Flooring in
Beech, Birch, Maple and Oak
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Floor Finishes

SEAMAN-KENT HARDWOOD FLOORING

Iron and Steel

BESCO IS READY TO DISCUSS A NEW DEAL WITH MINERS

Coal Business Showing Signs of Ease up But Steel Better

From Our Own Correspondent.

SYDNEY.—That he would welcome the opening of early negotiations with the miners for a new wage scale to replace that which expires on January 25, was the intimation given by President Roy M. Wolvin, of Besco, during his recent visit to Cape Breton. It is three months yet until the contract expires, but the president held that there is no reason why negotiations should not start at once.

Dominion Coal Co. may not this year be able to follow its usual custom of banking coal during the winter, was the disquieting statement made at Glace Bay by General Manager H. J. McCann. Owing to slackness of the coal trade in general, all the pits will go on very short time when navigation closes, about November 15.

New production records continue to be set by No. 1 B. Besco's biggest colliery, which has been planned for a life of 120 years. On October 16, this pit raised 2,684 tons of coal, breaking all previous records.

The employment level at the Sydney steel mills here has risen to 1,400, mostly employed on repairs and small construction work. General Manager H. J. Kelly states that this work will probably continue steady until the New Year, at least.

The immediate outlook for the Wabana iron ore mines of Besco is good, but no definite plans have been made for the first of the year. Vice-President J. E. McLurg, who recently returned from Newfoundland, says: "It will probably be six weeks yet before a definite winter program can be set. In the meantime the business in sight is sufficient to keep the mines in operation until the first or middle of December."

RUSSELL MOTOR IN A STRONG POSITION

Settlement of Buffalo Subsidiary Affairs Puts Liquid Assets Higher

The fiscal year of Russell Motors, which ended July 31, showed an improvement over the previous period. Net profits were $92,863 compared with $90,551 for the previous year. This allows an excess of $8,863 above the preferred dividends. Liquid assets, however, are materially larger, standing at $731,397, compared with $217,764, while current liabilities are only $3,426, compared with $49,876 a year ago. This means a decided strengthening of the company's working position. This was brought about by the turning over of the assets of the Russell Motor of Buffalo, which has been wound up following a final settlement with the United States government.

Pres. Lloyd Harris and Vice-Pres. T. A. Russell, in their report, state that the Willys-Overland, the company's auto subsidiary, had a much better year, enjoying an increased volume of business. They add:

"The addition of certain export territory to the operations of this company improved the outlook for its success. The prospects for Willys-Overland Ltd. have not looked so promising at any time during the past five years as at present. Russell Motor Car Company is now represented by the operations of Canada Cycle and Motor Company, Russell Gear and Machine Company and Willys-Overland Limited. Canada Cycle and Motor Company showed increased sales and profit during the past year, and it is expected that 1924 will show approximately the same result as 1923.

"An amalgamation has been effected between Russell Gear and Machine Company Limited and the Canadian branch of the National Acme Company of Cleveland, Ohio. The National Acme Company is disposing of its factory in Montreal. Its entire business, stock in trade and the greater portion of its valuable machine equipment has been transferred to Russell Gear and Machine Company Limited, and several new lines of products will be manufactured by the latter company."

The profit and loss account follows:

	1924	1923
Net profits	$ 92,863	$ 90,551
Pref. dividend	84,000	84,000
	$ 8,863	$ 6,551
Bal. forward	479,669	473,118
	$488,532	$479,669

Foundries and Forgings Position Strengthening

Canada Foundries and Forgings is reported as steadily improving its financial position. So much so that already gossip has started as to the possibility of a resumption of increased dividends, while others make bold to predict that the turn of the new year will see disbursements again under way. Keen competition has featured the company's year, and business could have been better at the Brockville plant, while the Welland plant has been somewhat less fortunate. The company's earnings on the whole, however, are said to show a surplus.

New Alloy Will Widen Uses of Sudbury Nickel

From Our Own Correspondent.

NEW YORK.—American nickel manufacturers are said to be following with considerable interest the development of a new nickel alloy recently developed in an American laboratory. This new alloy, which is eighty per cent. nickel and twenty per cent. tin, is being used in the cable recently laid between the United States and the Azores, and is said to have enabled the cable company operating it to speed up the sending of messages to an almost unbelievable extent. The successful use of this new alloy in this particular way is believed to presage the opening up of a new field for the use of nickel, something for which the nickel industry has been looking for years. The new alloy is difficult to melt and can be worked only with the aid of special electric furnaces. Rolled into thin strips it is wound around the outside of cables. This makes it possible to send 1,500 words a minute over a cable that could at its best under oldtime conditions carry not more than 250 words a minute.

IMPROVEMENT IN GROCERY TRADE

Western Grocers' President Sure Present Crop Will Improve Conditions

Wholesale grocery business in Western Canada has shown some improvement over last year, Pres. W. P. Riley of Western Grocers, Ltd., informs THE FINANCIAL POST. The 1923 crop reduced indebtedness of farmers and business men to a considerable extent, and the new crop at present prices is sure to further improve general conditions. Mr. Riley adds:

"Buyers of merchandise in the West are cautious and conservative, as is to be expected, under the conditions, and are likely to continue so for some time to come, or until the farmers have their indebtedness further reduced. This means that the operation of mercantile enterprises in the West must continue on an economical and careful basis, a policy which we early inaugurated. The wholesale grocery trade is dealing with the same conditions as affect other lines of wholesaling in this section. There are about as many wholesale grocery houses in the West as there were when the West had many more people. The fact is certain, therefore, that before Western wholesale enterprises do the business they should, there must be more people in the West for them to serve, or there must be fewer wholesale houses. This year in the West wholesale grocery trade has been marked by badly demoralized conditions, resulting from the very keen competition among all the houses for the business that is offering. Taking these conditions into consideration, we feel that our company is having a satisfactory year."

FAMOUS PLAYERS HAD BETTER YEAR

Company Operating Over 70 Theatrical Enterprises in the Dominion

Net profits of Famous Players for the year ending Aug. 30 were $404,363, compared with $379,935 the year previous. A substantial sum will be added to surplus when all charges are taken care of. The year has been much improved over other years of the immediate past for theatrical enterprises, according to J. P. Bickell, vice-president. He points out that while the company now operates more than 70 theatres throughout Canada, earnings of affiliated and Allen companies now operated, have not been taken into account in the earnings' statement. The company improved its bank position during the year by selling $500,000 of bonds which had previously pledged as collateral. Liabilities have been substantially reduced, while current assets stand at $526,407, as compared with $474,735.

Mr. Bickell reports:

"Efforts of the past year have been devoted to the consideration of the company's investments in the large acquisitions made during 1923, and to the improvement of operating conditions at all the theatres owned or operated by the corporation. It is felt, having regard to business conditions in the country as a whole, that the progress made has been most satisfactory."

Mount Royal Earning 3% on Preferred Shares

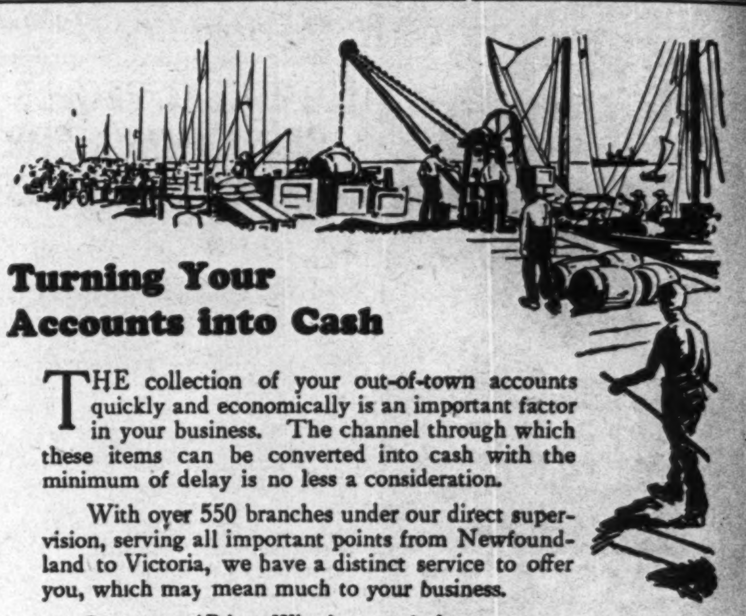
From Our Own Correspondent.

MONTREAL.—A letter now going out to shareholders of Mount Royal Hotel, from the management, is very optimistic in its promise of dividends on the preferred shares. The letter, which is signed by the president, Frank A. Dudley, indicates increased earnings for the first nine months of the present year, as compared with the same period in 1923, but indicates only 2½ per cent. earned towards preferred dividends in that period. However, it is pointed out that this has been achieved with an average room occupancy of 54 per cent. It is estimated that with a room occupancy of 65 per cent., net earnings will be sufficient to meet the quarterly dividends on the preferred stock. With a room occupancy of 75 per cent., net earnings will be sufficient to pay, in addition, 10 per cent. on the common stock.

The president states that the directors do not wish to impair the company's position by paying dividends now, but that prospects are good for a fair return on preferred stock investment in 1925. It is indicated that earnings in the preferred are running about 3 per cent.

Goodyear Tire Pref. is Now Being Accumulated

Goodyear Tire preferred has met with a steady demand of late, with the price moving up as the call for the stock persisted. The company has worked itself into a strong financial position, and brokers say that this came along so quietly and quickly that it passed unnoticed until of late. They point out that preferred's of other companies, not so strong, have been selling higher, and yet the Goodyear issue has quite a nice speculative feature as well, and arrears of about 8 per cent.



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HOWARD SMITH PAPER MILLS LIMITED
MONTREAL

CANADIAN SALT COMPANY

Canadian Salt Company has experienced a decided improvement in business this fall, and expects to see this continue with improved conditions when the farmers' crop profits become a factor.

The present year has been fairly active, but trade has been highly competitive, with the result that the company's turnover has not been quite as large as a year ago.

INDUSTRIAL ALCOHOL

The question as to the effect of the forthcoming Ontario vote on the O.T.A. upon Canadian Industrial Alcohol has been frequently argued, with some inclined to make an issue of the outcome. J. B. Waddell, president of the company, states that a victory for the O. T. A. would have absolutely no effect upon the business of the company. The more spectacular nature of the beverage end of the company's business causes many to forget that the company is basicly an industrial alcohol company. In this line, it does a tremendous business and in this direction largely lies the expansion of the enterprise.

Pulp and Paper

POOR PROSPECT FOR PULPWOOD EMBARGO NOW

Serious Outlook For Future Receives Little Attention

From Our Own Correspondent.

OTTAWA.—F. D. J. Barnjum's letter to the press in which he expresses disgust over the improbability of an embargo being placed on exports of pulpwood, and his intention to sell his holdings and move to another country, has attracted attention here. Mr. Barnjum's forest conservation campaign has caused quite a commotion on Parliamaent Hill during the last year, for he has found a strong measure of support, though apparently not enough to put over his programme.

There are two opinions respecting his announced intention to sell out and leave the country because of his lack of faith in the outlook. There are some who, while not approving his intention of quitting, are equally outspoken respecting the outlook for our forest reserves. They are unable to see any light ahead in the form of the adoption of a policy that will place restrictions on exports, and thus give a stimulus to manufacture at home. On the other hand, there are those who say that Barnjum has been on the wrong track, and that his impetuosity has run away with his judgment.

Little Prospect of Embargo

Looking at the situation from an impartial standpoint, there does not seem to be much prospect of an embargo on exports of pulpwood going into effect. When Sir Lomer Gouin was in the cabinet, and Hon. W. S Fielding was a strong factor in the shaping of policy, there was some prospect of measures to this end being taken. But there is to-day little indication of it. For one thing there apparently is a division among the manufacturers themselves as to what should be done. The pulpwood dealers are against it, and so are the settlers who sell pulpwood. Progressive support is also thrown to the latter. Then, again, the pulpwood commission did not give the government a lead on the subject.

Against these is arrayed the growing body of opinion that the country should adopt policy that aims at working up its raw materials into finished products. As a man of prominence put it the other day: "If we do not insist on the working up of our raw materials at home, what prospect is there for the building up of new industries and for the expanding of others? To find foreign markets for ordinary manufactured goods will be very hard indeed, now that Germany and Europe generally is coming back. But we can make big gains in the manufacture of pulp and paper if we insist on the materials entering into these being worked up here in Canada."

Exports of wood and wood products are very important in the total external trade of the country. During the year ending March, 1924, they amounted to $273,000,000 out of a total of $1,045,000,000. They were worth $133,000,000 more than all the animals and animal products shipped to other countries. They were worth about $70,000,000 more than all the other exports, save agricultural, vegetable and animal products. If, as Mr. Barnjum says, the source of these exports is beginning to dry up, it will be a serious matter for the country.

CAN. PAPERBOARD EARNS 36% ON STOCK

Financial Report Shows Bond Interest Earned Three Times —Sales $1,600,000

MONTREAL. — Canadian Paperboard Company issued its complete financial statement this week, the first of the kind that this company has made available to the general public. It indicated very satisfactory earnings. The bond interest and discount requirements for the year were earned three times, after $80,000 had been written off for depreciation. After deduction of depreciation and bond interest, net earnings amounted to $76,000, the equivalent of 3,6 per cent. on the outstanding common shares. It is understood that earnings are the highest since 1920.

Effects of the recent financing are indicated in the balance sheet, for working capital stands at close to $250,000, while the proportion of current assets to current liabilities is 2½ to 1.

The report is very favorable for a company that has only recently made its bow to the investing public.

An analysis of the profit and loss account and working capital position is as follows:

Profit and Loss

Total sales	$1,667,975
Expense, inc. deprc.	1,468,686
Gross profit	$ 199,290
Other income	22,165
Total	$ 221,455
Salaries, etc.	102,621
Available for int.	$ 118,834
Bond int. and disc.	42,562
Net profit	$ 76,272
1923 taxes	502
	$ 75,770
P. and L. surp, 1923	$ 31,131
P. and L. surp., 1924	$ 106,901

Working Capital

Current assets	$ 406,823
Current liabilities	163,705
Working capital	$ 243,118

Various loans and advances not included above in current assets.

Paper Export Big Factor in Upholding Dollar

Of the total capital invested in the pulp and paper industry in Canada, 75 per cent. is controlled by Canadians, according to George Carruthers, president of the Canadian Pulp and Paper Association.

"I can tell you that it is my sincere belief," said Mr. Carruthers at the annual dinner of the Canadian Paper Trade Association in Toronto, "that the growing export of our industry to the United States has had more influence than any other single factor in maintaining our favorable trade balance, and in keeping the Canadian dollar in its commanding position in the money markets."

FRANK BARNJUM PUTS UP "FOR SALE" NOTICE

Is Discouraged by Lack of Support for Pulpwood Embargo Proposal

From Our Own Correspondent.

MONTREAL.—It is already apparent, from press comments and private conversations, that Frank J. D. Barnjum's latest letter on the forest problem of Canada has aroused more attention than any previous contribution he has made on the subject. Mr. Barnjum seems to admit frankly that the campaign for the pulpwood embargo has failed; that he has been wasting time and money fighting for it and he intends to retire from the fight. He will, he says, offer all his properties in Canada for sale and "join the trek to another country." Since writing the letter, Mr. Barnjum has actually offered his properties for sale. These include pulp mills, timberlands, wharves, motor boats and other property in Nova Scotia.

It is learned, though, that this is not entirely Mr. Barnjum's last word. If the pulpwood embargo is shortly passed by order-in-council he intends to remain in Canada and continue as a crusader for forest protection.

In his letter. which has been extensively published, Mr. Barnjum asks the following striking questions:

"Do the public know that an aerial survey of the territory north of the St. Lawrence and east of the Saguenay has revealed the astounding fact that that whole territory is seventy-five per cent burnt?

"Do the public know that in the province of Quebec alone, between six and nine million acres were burned over during the single season of 1923, instead of three million acres as announced by the government of that province (which is, God knows, sufficiently appalling) and that despite this perfectly colossal shrinkage in our standing supply, exports of raw wood go on unchecked?

"Do the people know that the very existence of the great pulp and paper industry is threatened, not only through the premature exhaustion of its raw material supply, but through ruinous competition brought about by the furnishing of cheap raw material to its competitors in the United States?

"Do the people know that while Canadian mills have been reduced to operating at 80 per cent. or less of their capacity, American mills, owing their existence entirely to imported Canadian wood, are running 100 per cent. and upwards?

"Do the people know that there is not a pulp company in Canada that is making any profits — many being already in the hands of a receiver—or that the paper companies, if they were charging off adequate amounts for depreciation and depletion of their timber limits through insects, fungi, fire, wind and cutting, would be running at a loss?

"Do the people know that pulpwood exported to the United States cost the Americans only $9.77 per cord, while the wood used by Canadian mills cost the Canadian manufacturers $13.33 per cord? (These figures are both taken from the report of the Minister of Trade and Commerce.)

"Do the people know that a cord of exported wood leaves in Canada a matter of $10, while a cord of wood manufactured into paper enriches the country to the extent of $50 to $60?

"Do the people know that our wood-using industries are second only to agriculture as revenue producers and that the failure of the pulp and paper industry alone would bring this country close to bankruptcy?"

Pulp and Paper Exports Lower Than a Year Ago

Exports of Canadian pulp and paper during the month of September were higher than those of the preceding month, but slightly lower than the corresponding period of last year. According to the report of the Dominion Bureau of Statistics, total exports of pulp and paper during the month under review amounted to $11,-656.466. This was an increase of $751,046 over August, 1924, but a decrease of $59,403, as compared with September, 1923. Exports of paper alone showed a considerable increase over the corresponding month of last year, being $8,142,660, as against $7,-564,251, but exports of pulp were lower at $3,513,806, as compared with $4,151.618.

As heretofore, the biggest single item among the paper exports was newsprint. Exports of this commodity amounted to 101,843 tons, valued at $7,454,239, as compared with 90,-929 tons, valued at $6.870.190 in the corresponding month of last year, and 94,485 tons, valued at $7,020.384, in August, 1924. A New York dispatch states that the total output of newsprint from Canadian mills in September amounted to 107,446 tons, against 113,763 in August, while shipments were 106,228 tons, against 112.148. In the United States, newsprint production in September totalled 116.206 tons, against 116.477 in the preceding month, while shipments amounted to 116,598 tons, against 115,997.

USUAL FOR STEAMERS TO MOVE IN AUTUMN

Jump This Week Followed Director's Meeting — Talk of Dividends for Next Year

From Our Own Correspondent.

MONTREAL.—Directors of Canada Steamship Lines met here last Saturday and on Monday the preferred shares of the company began an upward movement. But it is understood that nothing of importance transpired at the meeting; nothing at least that should have such an influence on the market.

There is a much more optimistic feeling around concerning Canada Steamships. It is known that the company has been having a somewhat improved year. Earnings on the lakes should prove about the equivalent of last year, but the loss of over $460,-000 on the operation of ocean vessels has been eliminated, partially through the sale of boats and partially through betterments in the earnings of the three remaining ocean vessels. In fact, the ocean services will, this year, do better than break even.

The income from grain traffic on the upper lakes this fall is likely to be exceedingly satisfying, for there is evidence that the farmers will be rushing their crops to market to take advantage of present high prices.

On the lower lakes, steamships' earnings this year have not been very satisfactory in the grain carrying trade, due to the congestion at eastern ports. It often takes longer for a boat to get unloaded at Montreal than to make the round trip to Port Colborne for a cargo of grain. This has not affected Canada Steamships greatly, as it has not increased its boats on the lower lakes. The directors, it is understood, gave consideration to the possibility of adding more boats, but decided that there was danger of over-expansion, with over fifty new boats coming into service from various sources.

The "Street" is talking of early dividends for Steamships. The present suggestion is that one per cent. quarterly will be paid on the preferred next year. This is gossip. Steamships' market record shows that interest in the stock invariably develops about this time of the year when grain carrying traffic gets into full swing.

Whaling Industry in Maritimes Does Well

From Our Own Correspondent.

SYDNEY.—In spite of the prevalent impression that whaling as a Canadian industry has practically disappeared, over $100,000 worth of whale oil has been passing through this port during the season now drawing to a close. The product is brought here in Newfoundland schooners and transhipped in tank cars to the Canadian and American markets. The schooner Laberge came in recently with 476 casks, 12 butts, 12 puncheons, and 50 barrels, which was consigned to St. John, N. B., where it is used in the manufacture of soap.

NEW PAPER COMPANY

The Hastings Paper Mills is a new company formed to take over the old Belleville Paper Mills at Belleville, Ont. The new company announce that they have made arrangements with the mortgagee of the property lately occupied by the Belleville Paper Co. to operate the plant. The company state that they have made arrangements for sound financing with Bank of Montreal, Belleville, and they hope to commence operations in October. The company will manufacture straw paper and corrugated paper carpet lining.

PLAYER'S NAVY CUT **CIGARETTES**

A little higher in price, but — what a wonderful difference a few cents make.

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P. BURNS & CO. LIMITED

Calgary, Alberta

Summarized Balance Sheet as at 30th June, 1924.

Current Assets	$ 5,648,810.96	Current Liabilities	$ 2,254,203.08
Mortgages & Agreements of Sale Receivable ...	264,986.90	Mortgages & Agreements of Sale Payable	42,189.47
Investments	728,024.63	Sinking Fund Gold Bonds after deducting Cash and Accruals in hands of Trustees	3,382,077.16
Fixed Assets	7,870,201.38	Reserves for Depreciation, etc.	2,436,745.55
Deferred Charges	448,448.56	Capital, Income Bonds & Surplus	6,845,257.17
	$14,960,472.43		$14,960,472.43

NEW ISSUE

$850,000

Northern Ontario Building, Limited

6½% First (Closed) Mortgage 15-Year Sinking Fund Gold Bonds

Dated October 1, 1924, maturing October 1, 1939. Principal and semi-annual interest (April 1 and October 1), payable in Montreal, Toronto, Halifax, St. John, Winnipeg, Vancouver or New York. Coupon Bonds, denominations $1,000 and $500, with privilege of registration as to principal. Redeemable at 105 and accrued interest up to and including October 1, 1929; at 103 and accrued interest thereafter up to and including October 1, 1934; at 101 and accrued interest thereafter until maturity. The Royal Trust Company, Trustee.

CAPITALIZATION
(On completion of financing)

	To be Authorized	To be Outstanding
6½% First Mortgage Bonds, due 1939 (this issue)	(Closed)	$850,000
7% Second Mortgage Bonds, due 1929	$100,000	50,000
6% Cumulative First Preferred Shares ...	450,000	450,000
6% Cumulative Second Preferred Shares ..	100,000	77,000
Common Stock	500,000	500,000

Descriptive circular, copies of which will be forwarded upon request, contains a letter from the President of the Company, from which the following is summarized:—

THE NORTHERN ONTARIO BUILDING is being erected at the north-west corner of Bay and Adelaide Streets, Toronto. It will be a fireproof office building of 16 storeys, of structural steel or reinforced concrete construction, with brick and stone exterior, and in general appearance, lighting, exterior and interior finish will be modern in every respect. The building is to be completed ready for occupation by August 1, 1925.

BONDS WILL BE SECURED by a first (closed) mortgage and charge on the land, building and equipment. Payment of principal and interest will be further assured by a first floating charge on the revenue of the property.

PROPERTY VALUATION. Based on independent appraisals of the land and completed building, the mortgaged property will have a conservative value of over $1,400,000, as against $850,000 of 6½% First (Closed) Mortgage Bonds issued.

ANNUAL REVENUE of the building is estimated at approximately $239,900. Net revenue, after operating expenses and taxes, should amount to approximately $151,000, or more than 2½ times First Mortgage Bond interest.

SEMI-ANNUAL SINKING FUND payments will be sufficient to provide for redemption of over $400,000 of Bonds at 105 or better by maturity.

INSURANCE of not less than the amount of First Mortgage Bonds outstanding will be carried, in favour of the Trustee for Bondholders. The building will also be insured against employers' liability, loss of earning power through destruction by fire, etc.

DIRECTORS of the Company are Messrs. R. Home Smith, (President), Strachan Johnston, K.C., S. J. Moore and W. D. Ross, of Toronto, and V. T. Goggin, of New York.

We offer these Bonds for delivery if, as and when issued and received by us, subject to approval of counsel of all proceedings, at—

98½ and accrued interest, to yield over 6.65%

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Toronto Boston

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

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AND COMPANY
Bank of Hamilton Bldg.
TORONTO

DRILL ANOTHER WELL

Vac. Gas Will Spend Surplus in Exploration in Western Ontario Field

Vac. Gas, it is understood, is to drill a new well in Western Ontario. It is reported that the company has now a sufficient surplus out of earnings to finance such a venture. One of the pioneers in Western Ontario oil development, this concern has steadily carried on and has quite a nice income from its various holdings. Most of the stock, it is understood, is held in New York.

SILVER IN MUD SEAM

Hazel Lorrain is reported to have discovered silver in a mud seam on its property in the north part of Lorrain camp.

GATEWAY WILL RESUME

Kirkland Gateway is being dewatered and operations are to be resumed.

News of the Mines for the Investor

BETTER BUYING OF MINE SHARES WITH PRICES STRONGER

Number of Smaller Issues Show Upward Tendency

The mining market has taken on some slight signs of strength. A number of issues, notably many small ones, have figured quite strongly in the recent trading, indicating that there is some buying strength springing up. The market, however, lacks leadership, and it is not likely that the rally will get anywhere. Dome has not done better. Hollinger buying has slipped back a little. It seems likely that the power deal which promised to help the Hollinger position materially, is off for the time being. At least it has been intimated that the break between the power and Hollinger interests still exists and that the fight between the two before the Privy Council may be allowed to go on. This was to have been heard at the same time as the Toronto Railway appeal, but at that time there were signs that the power deal might be successfully consummated and so the hearing was delayed. McIntyre has been quite strong just under $16 while Lake Shore again sold up to $4, a small lot changing hands at that price. Vipond, Teck-Hughes, Wright-Hargreaves have held steady while Tough-Oakes Burnside has sold off to around 52. The mill is now handling between 90 and 100 tons of ore daily and it is likely that the first announcement of production will be made shortly.

In the silvers Keeley, Mining Corporation and Castle has shown signs of strength. It is said that new London buying has been in the market. The price of silver is holding quite firm.

Nearly $20,000 From Granby Treasury Sales

There has been little selling of vendors' shares of Granby-Kirkland mines and none by vendors, according to facts adduced by Managing-Director Childerhose. A shareholder contended that only $500 odd had been received from the sale of treasury shares. That was true of 1923. This year no treasury shares have been sold, but a government return for 1921 shows $14,031 in treasury stock sold and since then this amount has been increased by about $5,000. Sales of vendors shares have been by individuals who came into possession of the stock in various ways. There were over 1,000,000 vendors shares issued and out of that allotment, the vendors financed the incorporation of the company, the first year's work, paid for three engineers reports and provided a block of their holdings for an additional claim. As representative of the syndicate all these shares were first issued to Childerhose who later split them up. Thus with the exception of these deals the vendors' allotments are still intact in so far as known. Where the mix-up seems to have occurred is that Mr. Childerhose has an underwriting agreement with the company to sell its treasury shares. The result is that this stock when taken up is generally in his name. He says he has used his own stock to bonus salesmen who aided him, besides paying them the usual commission. Granby had a previous offer for its north claim. It was opposed by Childerhose who was criticized for it. The latest deal is regarded as a better one. It was voted favorably by a show of hands of shareholders and not a basis of a share vote. Specific working details are set out in the proposed option.

Nipissing Treasury Close to $5,000,000

Nipissing production in September was $170,424, there being 218 tons of high grade and 6,977 tons of low grade treated. This produced $162,232 in silver and $8,192 in cobalt. Nipissing has now in cash and bonds $4,070,960 and ore and bullion $643,309, a total of $4,714,269.

NEW POWER SUPPLY

Argonaut to Erect Power Line From Kirkland Lake Line

Argonaut Gold Mines is to secure power from the Northern Ontario Power Co. This involves the construction of a power line from the Kirkland Lake line at a cost of $35,000, for which the company has funds in hand. It is understood that construction will be rushed. When the new power arrives, another of the Argonaut's troubles will be over. To date it has been getting juice from the Associated Goldfields, and Mr. Rainville has stated to shareholders that this power was erratic, and extremely unsatisfactory and that no steady milling results could be expected until it was remedied.

BOOM IN GYPSUM INDUSTRY

SYDNEY.—As a result of the success of several small companies operating on the Bras d'Or Lakes, in the vicinity of huge plaster chalk deposits, a general boom in the local gypsum industry is taking place. A new company is now being organized to operate a property to be connected by a railway spur of three-quarters of a mile with the C. N. R. at Iona. It proposes to manufacture the finer grades of plaster.

KEELEY ON 9th LEVEL

Dr. J. Mackintosh Bell, managing director, Keeley Mines, South Lorrain, announces that N. shoot in Woods' vein on the ninth level is now 82 feet long, averaging 900 ounces over two inches.

Horace Strong in Charge of Lorrain Consolidated

An important move of the past week has been the return of Horace Strong, mining engineer to the South Lorrain camp, he having taken charge of the development of Lorrain Consolidated. Mr. Strong was for a time in charge of Keeley and later took up and developed the Frontier which was later sold to Mining Corporation. He was at one time in charge of Wetlauffer and wrote the history of that first producer of the camp for Cyril Knight's geological report on the camp. It is expected that Lorrain Consolidated will soon be added to the Lorrain producers.

LARGE BREAK CUTS OVER NORTH LORRAIN

Interesting Theory of New Condition From Lake Temiskaming to Montreal River

A new theory is being worked out in regard the geological features of the northern part of the South Lorrain camp. It is that a break of tremendous proportions extends from the Montreal River east to Lake Temiskaming, leaving some interesting conditions on numerous properties. From Lake Temiskaming, the most important property touched is said to be the Maidens, where a substantial tonnage of commercial ore has been opened up. It passes through the Cariboo and on into the claims of South Keora. On the latter property a large diabase ridge is cut in two by the break and shows a width of about 66 feet at this point. This company is now making plans to develop the property on which surface values of three ounces of silver have been found.

NEW ORE BODIES OPENED ON VIPOND

Dr. Bell Tells Shareholders of Success in Recent Surface Work and Drilling

Vipond development is at a very interesting stage, according to statements made by Dr. Mackintosh Bell to the shareholders.

Number 16 vein, discovered on the surface last spring, gives promise of something interesting. This vein was located about 300 feet from the Porcupine boundary line and approximately 800 feet from the main Vipond shaft. Stripping showed values of $14 across a width of four feet. Dr. Bell states that they are now going after this vein underground, the crosscutting toward it proceeding at the rate of about 200 feet a month. Within the next two months, some interesting details should be known of the underground situation in the vein. Diamond drilling below the old Vipond workings has penetrated 30 feet of ore at a depth which had previously not been explored. This ore runs around a grade of $10 a ton. North of the central workings near the Hollinger line good values have been found in new bore holes which appear so promising that excavation work has been started. The work done during the year has been confined mostly to the 400, 500 and 700 foot levels. At 1,000 feet depth on number 11 vein, which is east of number 13, near the Hollinger line, exploratory stopes have been opened where ore of excellent values has been extracted. Dr. Bell expressed himself as extremely optimistic on the future of the mine.

Mining Stock Quotations

Week Ending Oct. 21.

	High	Low	Close Oct. 21	Close Oct. 14
Apex	2¾	2½	2⅝	3¼
Agonaut	32	29	30½	32
Atlas	6¼	4¾	6¼	4¾
Baldwin	2½	1½	2¼	2
Beatty	2	2	2	2½
Beaver	16½	16¼	16½	16
Bidgood	5¾	5½	5¾	6
Buckingham	4¾	4½	4½	4¾
Can. Lorrain	63½	61	61	63½
Capitol	37	35	36½	37
Castle Tre.	73½	69½	73½	70¼
Clifton	11	10	11	10¼
Coniagas	2.10	2.05	2.10	2.05
Cons. Smelters	45	43½	45	43¾
Cons. W. Dome	17	14⅞	16⅞	15¼
Col. Kirkland	3	2	2	3¼
Crown Res.	50	46	50	50½
Dome Mines	14.75	14.20	14.65	14.65
Everett	7¼	6½	6⅝	7
Gold Reef	1⅝	1⅝	1⅝	1¼
Goldale	17¾	16½	16½	16¾
Hattie	2⅞	1¾	2⅛	2¾
Do., pref.	49	40	48	41
Hollinger	15.00	14.35	14.38	14.45
Hunton	9½	8¼	8¼	9¾
Inspiration	7	7	7	8
Indian	6½	5½	6½	6¼
Keora	9½	8½	9	9¼
Keeley	2.35	2.27	2.34	2.32
Kirk. Lake	18½	17½	18	18½
Lakeside	11	6¾	10	7
Lake Shore	3.94	3.90	3.93	3.93
Lorrain, T. L.	1.46	1.42	1.46	1.45
Lorrain	21	19½	20½	21
McIntyre	16.10	15.40	16.00	15.75
McKinley	12	11½	12	11
Mining Corp.	2.70	2.55	2.68	2.65
Moneta	16	15	16	15¼
Newray	23¾	22	23	23½
Nipissing	6.10	5.92	6.00	5.90
Pete. Lake	9¼	8¾	8¾	8¾
Porc. Crown	4½	4½	4½	5
Preston	10⅝	9⅞	10⅝	10¾
Premier Gold	2.30	2.30	2.30	2.25
Rouyn	15	15	15	14
South Keora	21	20	20½	21
Teck Hughes	1.19	1.10	1.13	1.13
Thomp. Krist	1¾	1¾	1¾	1¾
Timiskaming	20	16	18	18
Tough Oakes	55	50½	52½	54
Trethewey	16¼	15½	16¼	15½
Skead	18½	18½	18½	19
Vickers	8	8	8	7
Vipond Cons.	1.26	1.22	1.25	1.24
Wasapika	1¾	1½	1½	1¾
West Tree	4¼	3⅞	4	4¼
Wettlaufer	20	19	19¼	20¾
Wright Har.	3.62	3.60	3.60	3.60
NEW YORK PRICES				
Int. Nickel—				
com.	18½	17¾	18½	17⅝
do., pref.	90	90	90	88
OIL COMPANIES				
B. A. Oil	32¾	32	32	32¾
Imperial	104	102½	104	100
Inter. Pet.	20	20	20	18¾
Mutual	10⅞	10⅝	10¾	10¼
North Star, pref.	3.81	3.70	3.81	3.70

QUESTIONS PICTURE MINE POSSIBILITIES

Already They Have Turned Many Sections of Bush Into Thriving Towns

How fabulously rich in the precious metals is Northern Ontario?

Where will be the end of the remarkable heavy mineralized zones which traverse Ontario from boundary to boundary, as well as sweeping eastward into Quebec and westward into Manitoba, be found?

Will this mining district yet exceed in precious metal output that of the world-famed Rand of South Africa, the principal source of England's colossal wealth for scores of years?

How deep will the high-grade ore bodies of Northern Ontario be found to extend?

Many questions are asked about Northern Ontario, but these four are the most important in the minds of leading engineers in charge of mine operations in Porcupine, Kirkland Lake, South Lorrain, Gowganda, Goudreau, Larder Lake, Lightning River, Rouyn, Elbow Lake and other sections where development is under-way, writes J. Fred Verner, who adds that his repeated visits throughout Northern Ontario since 1906 have left an indelible impression. He has seen sections of virgin bush transformed into thriving towns, boasting populations ranging from 1,000 to over 15,000 people. Where such steady growth prevails, there is expansion in the predominating industry, which is precious metal mining, and he says no individual industry has made anywhere nearly the progressive strides during the last decade of years as has that of precious metal mining.

The wheat fields of the Golden West have brought renown to the Dominion of Canada but her gold and silver mining deposits will bring her much more glory, as already such is being heralded world-wide and signs of the resound are shown by the increasing flow of English capital now making its appearance. The exhibit of Northern Ontario mine ores was the acknowledged outstanding feature of the Wembley Exhibition in London, England, and no official of the crown received a more hearty welcome than did the Hon. Charles McCrea, K.C., minister of mines. Where there is smoke there must be fire. Well, if the cool, calculating Englishman was not convinced that the gold and silver mines of Northern Ontario had a long and prosperous life ahead, he would not show the slightest interest and when you find him establishing heavy credits in Canadian banks exclusively for investment in this mining district, it is, to say the least, highly significant and shows the way the winds of prosperity are blowing. Statistics show more private wealth was accumulated in England from the South African mines than in any other way and apparently these shrewd financiers now consider Northern Ontario as the likely successor to South Africa as the premier precious metal producing section of the world.

No engineer in Northern Ontario would hazard the guess as to the tonnage of gold and silver that would be produced by the mines of Northern Ontario. Billions of dollars in value appear to be the consensus of well-informed opinion and between 50 and 100 years of productiveness would be the length of life of this new Eldorado. Such an eminent authority as Cecil Knight, formerly attached to the Department of Mines and now in a managerial capacity for Nipissing Mines, stated in an official report that two or more gold and silver bearing zones extend east and west through Northern Ontario for an approximate length of 80 miles each, also that other zones would doubtless be found to parallel these.

With absolute proof that the rich ore bodies in McIntyre-Porcupine extend downward to a depth of at least 3,000 feet and the fact that the largest shaft of any mining company on the North American continent is now under construction by this company, with its first objective 4,000 feet, it is clearly obvious what is uppermost in the mind of R. J. Ennis insofar as to his belief regarding ore bodies in the Porcupine camp going to great depth.

OFFICE IN LONDON

Manitoba Urged to Act as Good Way to Get Mining Capital

Prof. R. C. Wallace, Manitoba University, and president of Canadian Institute of Mining and Metallurgy, has suggested that Manitoba open an office in London as a means of attracting capital for the development of the mining areas of the province. Professor Wallace is not only an authority on Manitoba's resources in the northern part of the province, but has lately returned from England, where he attended the mining congress. He has been in touch with the situation there and he says that English capital is very interested in the mining resources of Manitoba and "that if we had an office in London where information would be available to British investors it would lead into Manitoba a considerable amount of English capital," says the Winnipeg Free Press.

Alberta Mines After Winnipeg Market Again

CALGARY.—By a good majority, the rank and file of the miners in Alberta and Northeastern British Columbia, or what is known as District 18, have decided by referendum vote to sustain their leaders in the settlement of the strike.

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Northern Manitoba Mining Notes

The McCafferty property is showing up exceedingly well. The shaft is now down about 40 feet, and the vein has widened out from two feet on the surface to five feet at depth.

The Mining Corporation has suspended operations on the Rainbow group, owing to the difficulty of getting in supplies, but it is likely that they will resume operations next winter.

On Little Herb lake considerable work has been done on the Gordon-McLeod group, and the showing there is promising.

On the northwest arm of Little Herb Lake Woods has located a very strong vein which has been traced for approximately 3,000 feet, and which pans gold here and there, but no systematic sampling has been done.

Ken Murray has a find near Niblock Lake which is reported as being very promising.

Away in the east a Saskatoon syndicate reports very favorable results on ground optioned from W. Cote and some staked by themselves.

An English company is trying to get an option on the Apex group at Herb Lake (the so-called Big Dyke).

Tom Creighton, so prominently identified with the discovery of the Flin-Flon, left with a small crew of men to look into a property staked by Carl Sherratt, at Cold Lake. The investigation is being made on behalf of the Mining Corporation, whose interests are represented in this district by Tom Creighton.

Leon Dion, one of the vendors of the Flin-Flon, has gone to File Lake, where he is interested in a group of nine claims. He has engaged a gang of men to do work on this property in order to put it in shape for the inspection of mining engineers. He recently stated that he staked this property as he found so much gold spread over such a large area in such a short time that he thought it was well worth prospecting.

Tom Hendricks, an old-time prospector, brought in a very fine sample of native silver which he claims to have found upon his property at File Lake. He has now returned to the lake, where he will remain until next spring, as he intends to do a considerable amount of work upon his claims.

Messrs. Charles Sampson and H. Colvey, of Saskatoon, recently made a trip through the mineral belt extending over a month, and were most favorably impressed with all they saw. They panned several likely looking samples taken from different claims, and were much encouraged by the results obtained. Mr. Sampson has invested quite a large sum in the Tom Webb property at Elbow Lake. Mr. Colvey was for 11 years in the Yukon and is now an enthusiastic booster for The Pas mineral belt.

Many mining engineers have visited the district during the last few months, including: Scott Turner, Mining Corporation; M. Hanson, representing A. D. Miles; Harry James, M.I.M.M., on behalf of English interests; Treville Williams, representing London capitalists; Leonard G. Smith, Haileybury, and Messrs. Loveman and W. A. Black, on behalf of Joseph Myers.

Russell Hartney, barrister, Saskatoon, sent a good-sized sample taken from the Mack claim at Elbow Lake to Chicago for assay purposes, particularly in regard to platinum. The return gave 31 ozs. to the ton platinum and iridium. C. N. Campbell, with the Consolidated people at Trail, B.C., who recently made an examination of several claims in the mineral belt, sent a sample of the Mack M.C. to Trail. The return, now to hand, states that platinum was not found, but gives a gold assay of $7.60. Through the commissioner of northern Manitoba, about 100 pounds of this ore has been shipped to the mines branch, department of mines, Ottawa, for a complete analysis.

McIntyre Does Well in the First Quarter

McIntyre's gross recovery during the first quarter of the fiscal year totalled $903,790. Costs, including the heavy development work being pushed ahead were, $463,476, leaving operating earnings of $440,315, to which is to be added $20,371 other revenue, or a total of $460,686. Tax provision is $32,314 and depreciation has yet to be deducted.

Dome Earnings Are Above the Dividend

Dome's earnings available for dividends, after depreciation and depletion are deducted, totalled $1,585,939 for nine months. Dividends at $1.50 a share total $1,430,000. Gross income from 363,200 tons at rate of $8.86 a ton was $3,219,547. Costs were $4.68 a ton, or $1,701,744, and taxes $84,249, leaving $1,785,993 to which is added other income, $152,384.

SILVER AND OTHER METALS

	October 20	21	22	23
Silver—				
London (d.)	35 7/16	35⅝	35 7/16	35 5/16
New York	71⅛	71¼	71	—
Copper	—	13⅛	13¼	13¼
Lead	—	8.25	8.25	8.25
Zinc	—	6.35	6.40	6.40

WEST WILL PUT CROW'S NEST CASE UP TO PREMIER

(Continued from page 1)

holes can be legally shot in the board's judgment.

So important does the abrogation of the Crow's Nest Pass agreement loom in Western Canada that there is common talk now in the West of making it the issue in the federal election next fall. The only hitch would be that it needs two or more parties to take issue, and it is hardly likely that anyone in the West will have the temerity to uphold any move for the abolition of the C. N. P. agreement. As it is the present government will be put on the horns of a dilemma. Premier King has already been asked in the West if he intends to implement Sir Wilfrid Laurier's promise to complete the Hudson's Bay railway—an embarrassing question. What will his answer be to the more insistent question now being volleyed at him from every direction: "What are you going to do about the Crow's Nest Pass agreement?"

And Mr. King has still to run the gantlet of the West before he can get back home to Ottawa.

Current Events in Banking World

Analyzing Bank Costs Shows Need for Fair Service Charges

Overdoing the Branch Movement has led to Cut-Throat Competition in Canada—Banks Should Educate Customers as to Service Rendered—Have a Right to Fair Return and Reasonable Profit

By A. B. BARKER
Manager, Toronto Clearing House

The Federal Reserve Bank of New York recently issued a most interesting pamphlet showing the varying ratios and cost of operation to earnings in the banks in that state. For purpose of permitting more accurate comparison, the banks have been divided into groups, according to location and amount of capital, and the figures for each group averaged. No names are given, of course, but with these averages before him, the banker is able to see whether his expenses and returns are above or below the average for that group to which his ratio belongs. These groups are divided into two classes, those located in New York City, and those located elsewhere in the state.

The ratios expressed in percentages for all classes are as follows:

Capital—	
1. Capital funds to gross deposits	16.1
Loans—	
2. Loans & invest. to total avail. funds	85.1
3. Loans and investments	56.9
Deposits—	
4. Demand deposits to gross deps.	57.2
Interest paid on deposits to gross deposits	2.1
Earnings—	
6. Gross earnings to loans and investments	6.2
7. Gross earnings to total available funds	5.2
8. Net earnings to total available funds	1.6
9. Net earnings to capital funds	13.6
Disposition of gross earnings ratio of the following items to gross earnings—	
10. Salaries and wages	18.8
11. Interest paid on borrowed money	1.6
12. do., paid on deposits	34.3
13. Taxes	4.7
14. Other expenses	11.2
15. Total expenses	70.6
16. Net earnings	29.5

From this it is evident that the actual profits to the banks from their operations are not excessive. They are, in fact, so small when compared to those in any other line of trade, that unless particular care is taken to avoid losses the business could not continue.

A carefully managed bank which adds to its reserve funds each year, and makes full provision for possible bad and doubtful debts, will in the ordinary normal course of business steadily grow and increase its business if the country continues to prosper. There is no record of a bank prospering while the country in which it operates does not. One is the complement of the other.

Operating Costs High

Canadian bank records are not available in similar detail, and it is, therefore, impossible to compare the results in the two countries as the branch system here introduces a factor which has no counterpart in the United States. Some of these banks have branches, it is true, but not outside the limits of the state in which the main office is situated, and there is, therefore, not the same difference in local conditions that Canadian banks must meet.

The figures showing the disposition of the gross profits, indicating that more than 70 per cent. goes in cost of operation, are worth careful studying by both bankers and public, by the former because few particularly among the younger generation realize just what their costs of operation are.

In other lines of business the main point upon which stress is laid is the amount of profit which the business must produce in order to exist, but in banking the great point emphasized is the necessity of giving service to the public. This, of course, is a good talking point as the sales manuals have it, but there is another point just as important, that a fair price must be paid for this service. A bank is organized to serve the business needs of the country, and to the extent it performs these services it is entitled to a fair remuneration. Unfortunately many of the spokesmen for the banks in the past have treated this in a more or less apologetic way as if profit were the last thing thought of, and it cannot be wondered at then, that the public have taken them at their word. This is partly due to the methods of building up business which formerly were so much in evidence. At one time the banks had comparatively few branches, and rates of commission on items drawn on outside points were fairly well maintained. Competition reduced these, and also relaxed the regulations governing the use of chequing accounts and other services, as when a new branch was opened the first thing the manager did, usually, was to offer more service, or the same at lower rates than the other banks.

Too Much Competition

The rates for loans and discounts were held more firmly, as these were controlled by head office, and when the officials there could lend freely in other centres with which they were familiar at 6 or 7 per cent., they were not likely to consider applications at lower rates in new fields. The rates of commission and other charges for service were, therefore, all the local manager had to work on, but he worked and finally succeeded in getting them down to a point which yielded little or no return. American practice was frequently quoted, but the safeguards to that practice, which protected the American bank from giving these services at below actual cost were ignored.

For some years now attempts have been made by the banks to retrace their steps in this respect, but with small success. The attempt has attracted attention as at the last revision of the act, it was proposed to abolish commissions altogether, or to cut them to absurdly small figures, but Mr. Fielding laughed the proposal out of court. As it is, the limits set in the act allow charges which barely cover the interest on the amount while the item is outstanding.

Charging for Service

In their handling of the matter the banks seem to have made a tactical error by referring to the charges for commissions as "the minor profits." It would have been better to have instituted "a charge for service," and specifying in what the service actually consisted. The public are generally reasonable when they understand clearly, and willing to pay a fair price for what they want, provided they think no one is getting the same thing at a lower rate.

The express money order business is a good illustration of this. The rates are not low, but are the same to all, whether the purchaser buys one order or twenty. Bank rates on drafts are lower on amounts of over $50, and bank money orders cost the same as express orders for smaller amounts, but there is an impression that the purchase of express orders is easier and quicker, and while this has much to do with the fact that the express companies have the lion's share of the small remittance business of the country, the fixed rates to everyone have much influence.

The fixing of the charge for service would also "sell the idea" more completely to the managers and staffs of branches.

These are the ones who meet the public, and the idea of charging for a definite service would appeal more strongly to them than that of standing out for what is to them, a problematical profit from a customer who realizes, as they do, that there are other banks in the town anxious for his business. Once let them realize clearly, however, that the banks are organized to sell service as well as credit, and it will not be long before rates will be adjusted on a basis fair to all.

In regard to rates charged by banks, it is interesting to compare the attitude of the public towards banks and loan companies. Both lend funds to borrowers. The valuation of the security by the latter takes a longer time, and involves the payment of fees to both valuator and to the solicitor who searches the title. When the borrower has executed the document he receives the proceeds of the loan, less the deductions referred to, and the service of the loan company stops there, except to check up interest payments, and to see that the borrower keeps alive the insurance policies. The public apparently consider that no one is compelled to borrow from a mortgage company, and that if one does he must pay the market price for the service rendered.

With a bank it is entirely different. Infinitely more service is expected from the bank than from the loan company, and when a bank finds it necessary to forcibly realize on its security, this action causes widespread criticism among the friends of the delinquent borrower.

Had the same party, however, defaulted under a mortgage, and lost his property under foreclosure, such action by the loan company would have been considered the correct procedure, and any criticism would have been directed at the man who had defaulted.

The reason would appear to be that the public understands the mortgage transaction, and can see the connection between the various parts of the procedure, while the process of bank is looked on as a mystery. Any organization whose operations are not understood is feared, especially if it be successful, and fear always breeds suspicion and hatred. This may account for the widespread unpopularity of banks, an unpopularity not confined to Canada, but very general in the United States, whose system of banking some would like to transplant here bodily, without knowing or caring whether it would work under Canadian conditions.

Bank Wins Chattel Mortgage Court Case

From Our Own Correspondent.

CALGARY. — A judgment just handed down in the supreme court here is of considerable interest to those who are concerned with bills of sale and chattel mortgages. The action was between the Canadian Bank of Commerce and John Munroe, a farmer. The bank claimed certain chattels under a mortgage given by one, Cline. The defendant claimed to be the purchaser of these goods and chattels for value, and his bill of sale was registered within the period prescribed by law. The bank's mortgage was dated April 20, 1921. The defendant's bill of sale was dated May 31, 1924. The bank did not file a renewal of the mortgage within the two years required by the Bills of Sale Act.

Munroe admitted that Cline advised him that the bank had a mortgage on the chattels in question. He caused a search to be made in the registration office, and found that the bank had not filed a renewal statement of the mortgage within two years from the filing of the mortgage as required by the statute. The defendant believed that he was entitled to purchase the goods, and that he would get a title free from the bank's incumbrance. Judgment was given in favor of the bank.

BACKING OF NOTE LEADS TO TANGLES

Maritimes Case a Warning Against Such Troubles—Auto Deal Responsible

From Our Own Correspondent.

SYDNEY.—How easy it is for even the most experienced to get tangled up in note and used car transactions, was illustrated once more by a case before Judge Finlayson and a jury here recently. The evidence showed that Mrs. O'Hearn, an inn-keeper, bought from Dr. Rice a used Willys-Knight, giving in exchange a used Chevrolet and a note for $1,500, endorsed by Finlay MacDonald, K. C., city solicitor, who signed on an undertaking, given by Robert MacGowan Jr., and a daughter of Mrs. O'Hearn, that Daniel McCuaig, local business man, would also endorse it. This McCuaig did not do, and subsequently Rice gave MacDonald's note to a man named McGuire in payment for a piece of land. Meantime, Mrs. O'Hearn had refused to pay the note on the ground that the Willy-Knight was not as represented; and the Chevrolet, which had been sent to Hantsport by Rice, was seized there by McCuaig who had a bill of sale of it. Then McGuire sued MacDonald for payment of the note. The jury found MacDonald must pay, if Mrs. O'Hearn fails to do so.

Drastic Methods Needed to Prevent Burglaries

CHICAGO.—Bankers of the country are solemnly warned by the protective committee of the American Bankers' Association in its report to the organization's executive council, that unless they adopt at once more drastic methods of prevention, the rising tide of criminal depredations against banks will never subside.

The committee's report declares that during the last year this wave of criminality reached its peak upon an advance that started in 1919. With the exception of burglaries, startling increases were developed last year in the operations of bank thieves of all types, the heaviest toll being exacted by check operations, bandits, swindlers and embezzlers.

"The laborious task of bank burglary," the report says, "is apparently yielding to the more daring and productive art of robbery, known as the 'holdup.' The 1921 high mark of 240 burglaries against members drropped to 98 in the past year, but over the same period, 'holdup' robberies of members increased from 97 in 1921 to 165 in 1924."

HANEY INCLUDED IN CHARGES

Michael John Haney, C.E., president of the Home Bank of Canada from 1917 to 1919, is among the former directors of that institution who will be proceeded against in the High Court on charges of conspiracy and issuing false prospectuses.

Those mentioned in the old indictment, a stay of which was granted by Chief Justice Meredith, are included with Mr. Haney in the new indictment.

MARITIME SUPERVISOR FOR ROYAL

C. E. MacKenzie, formerly supervisor of the Royal Bank of Canada in Cuba, has arrived in Halifax to take over the duties of supervisor in the Maritime provinces, the position formerly held by the late F. St. C. Harris.

BANK OF MONTREAL

The Bank of Montreal announces the opening of two new branches in Mexico, one at Guadalajara, in charge of A. F. Field, and the other at Monterrey, in charge of J. W. Fisher. The street address of the former is Esquina Lopez Cotilla y Colon, and the latter Doctor Mier 16.

Staff Gossip

C. E. MacKenzie, formerly supervisor of the Royal Bank of Canada in Cuba, has arrived in Halifax to take over the duties of supervisor in the Maritime Provinces, the position formerly held by the late F. St. C. Harris.—The Star, Toronto.

* * *

Mayor James McConnell is in receipt of a copy of the Bank of Montreal's Centenary Book from Sir Frederick Williams-Taylor, the general manager. The book which is to be added to the city library, has been received by His Worship through A. J. Hollyer, manager of the Sydney branch of the bank.—The Record, Sydney.

* * *

An interesting ceremony was a presentation to S. J. Jarvis, who was recently retired from the service of the Bank of Montreal, at Wallaceburg, after having been manager at the James Street branch for 18 years, and who is leaving to reside in Windsor. An appropriate address of regret at his leaving the community, and also good wishes for the future, was read by J. S. Fraser, K.C., and the presentation of a leather club bag was made by A. P. Brander.—Beacon-Herald, Stratford.

* * *

Recently a large complement of the Moose Jaw bankers met in the Moose Jaw Club for the purpose of organizing a Bankers' Institute, with the main idea of getting together and gaining further light in banking.

James Cameron, manager of the Bank of Commerce, being appointed to the chair, was then nominated president, and C. D. Saunders, manager of the Union Bank, vice-president.

A committee composed of a senior member from the staff of each bank in the city was then formed to undertake the work of providing lecturers, etc., following which a secretary was appointed.—The Times, Moose Jaw.

MANITOBA SHOWS BIG INCREASE IN GOV'T SAVINGS

Ability of the Province to Pay 4% Permanently Doubted

From Our Own Correspondent.

WINNIPEG.—Manitoba's Provincial Savings Bank now has deposits of over $10,000,000 in 26,000 accounts, according to a report which has just been made public. This is a considerable increase from last year when the total number of accounts was 18,515 and of deposits $7,399,000. The institution shows profits for the last year of operation of $51,864.44 against profits the previous year of $29,181.80.

It is stated that the office equipment and furniture has now been written off, being carried at $1 in the books. The stocks and bonds on hand are said to have appreciated in value over purchase price to the extent of $86,978.04, a factor which has not been taken into account in estimating profits.

The original purpose in establishing the Provincial Savings Bank was to make available funds for the Rural Credits schemes of the provinces, after the chartered banks had indicated that they expected a higher rate on money provided for such purposes than the government thought proper. The principal investments of the Provincial Savings Bank were accordingly in securities of the Provincial Government, but it is understood that with the growth of the institution investments are now made in a considerable range of securities.

The Provincial Savings Bank has been paying 4 per cent. interest on savings deposits. That has been undoubtedly a big factor in the increase of its business, and so also has been uneasiness growing out of the Home Bank affair. Another considerable factor has been the aggressive way in which the institution has gone after business, both by advertising and by personal solicitation of accounts of trades, unions, fraternities and similar organizations. The success of such an aggressive policy can be measured by comparing the total of deposits for the provincial institution, $10,000,000, with the $25,000,000 which is all the Post Office Savings deposits for the whole Dominion amount to.

Naturally other banks have not looked with favor on the competition of the Provincial Savings Bank for deposits. Critics have pointed out that with a high rate of interest prevailing on government securities it has been comparatively easy for a savings institution such as this, once a large volume of deposits is obtained to pay its high rate of interest and to provide investments for its funds. With the tendency now observable for the rate on government securities to fall, doubt is expressed as to the ability of the Provincial Bank to continue paying its four per cent. for an indefinite period.

Weekly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	Oct. 18, 1923	Oct. 16, 1924
Halifax	$ 3,120,281	$ 2,830,731
St. John	3,235,763	2,709,663
Moncton	934,356	800,731
Sherbrooke	826,059	760.788
Quebec	7,008,621	6,379,040
Montreal	228.025,609	141,994,503
Ottawa	7,796,906	6,630,008
Kingston	687,092	741,808
Peterboro	840,629	824,781
Toronto	386,467,093	172,820,956
Hamilton	7,409,171	5,170,884
Brantford	1,392,606	983,510
London	2,942,318	2,559,227
Kitchener	1,044,306	1,011,645
Windsor	4,741,746	3,044,616
Total East	$656,472,556	$349,262,891

WESTERN CITIES

	Oct. 18, 1923	Oct. 16, 1924
Fort William	$ 1,007,742	$ 1,287,986
Winnipeg	78,781,320	72,092,717
Brandon	763,315	641,215
Regina	5,123,544	4,522,969
Moose Jaw	1,748,443	1,377,837
Saskatoon	2,270,775	1,795,539
Prince Albert	345,632	312,952
Lethbridge	913,352	593,461
Calgary	7,218,685	7,402,700
Edmonton	4,074,145	4,887,200
Medicine Hat	473,198	349,491
N. Westminster	586,082	694,478
Vancouver	14,360,263	15,396,989
Victoria	2,778,429	2,161,926
Total West	$120,444,925	$113,517,460

The extraordinary bank clearings of Toronto and Montreal shown for this week last year were caused by the "run" on the Dominion Bank by anxious depositors.

Supplemental Results in the Banking Courses

Supplemental examinations in the banking courses were conducted during the first week of September for the Canadian Bankers' Association by Queen's University. Students who had failed in not more than two subjects at the regular June examinations or who, because of illness or other sufficient reasons, were unable to write in June, were given permission to write on the supplemental examinations. The following names bring the number of students successful in obtaining the degree of F. C.B.A. in 1924 up to 38, of whom 6 secured honor standing. The degree of A.C.B.A. has been awarded to 90 candidates of whom 20 have taken honors. Only those students who have completed the six examinations of their respective courses have been awarded degrees. The standing lists show the record of students in the individual subjects.

Graduate Fellows' Course

Honours.—L. Trottier, (d'Hochelaga), St. Casimir, Que.

Pass.—C. L. McCarthy, (Montreal), Winnipeg, Man.; T. G. Morrissey, (Montreal), Port Hood, N.S.; A. L. Collison, (Montreal), Victoria, B.C.; C. A. Callan, (Royal), Grande Prairie, Alta.; L. M. Eagleson, (Standard), Brantford, Ont.; D. W. Petrie, (Nova Scotia), Toronto, Ont.; E. W. Thomas, (Montreal), North Vancouver, B.C.

Graduate Associates' Course

Honours.—J. C. Kennedy, (Toronto), Morriston, Ont.; R. F. Corkran, (Commerce), Beebe, Que.; W. N. G. Agard, (Royal), Port of Spain, Trinidad; R. B. Arnold, (Commerce), Calgary, Alta.

Pass.—D. W. Apps, (First State Bank), Detroit, Mich.; J. E. Forth, (Royal), Toronto, Ont.; R. F. Neily, (Nova Scotia), Aylesford, N.S.; I. D. MacArthur, (Dominion), Welland, Ont.; J. S. Brock, (Nova Scotia), Toronto, Ont.; W. R. Nickerson. (Nova Scotia), Kentville, N.S.; G. C. Catley, (Union), Bulyea, Sask.; W. C. de Balinhard, (Montreal), Yorkton, Sask.; W. W. Janes, (Commerce), Transcona, Man.; B. E. Rogers, (Molsons), Chesterville, Ont.; J. W. Stewart, (Montreal), Vancouver, B.C., equal.

Supplementary Courses

Spanish—(1) J. L. Mesereau, (Royal), Berwick, N.S.; (2) A. D. McNeilly, (Commerce), Toronto, Ont.

Advanced Foreign Exchange. — J. L. Theriault, (d'Hochelaga), Montreal, Que.

New York Banks Not Worried About Unionism

From Our Own Correspondent.

NEW YORK.—No importance is attached here to the announcement emanating from the offices of the secretary of the Bookkeepers, Stenographers and Accountants Union that two big New York banks had agreed to allow the union to organize their employees. Although local bankers have never actively opposed the unionization of their employees below the rank of "officers," they have apparently never done anything which would lead outsiders to believe that they felt that unionization was necessary. The position of the banks, broadly speaking, appears to have been one of complete indifference. They have never felt that the union movement could succeed and have, as a result, done nothing to oppose it.

FORGAN AGAIN APPOINTED

NEW YORK. — David R. Forgan, of Chicago, has again been appointed chairman of the Committee on Canadians Relations of the American Bankers' Association. This is Mr. Forgan's third term as chairman of this committee.

Exchange

The exchange markets have been unusually quiet for the past two weeks, no very significant movements taking place in either direction. The Canadian dollar remains at par in relation to New York funds and, judging from current conditions and future quotations, as far ahead as January, there seems little indication of a material change in either direction.

Sterling has been unusually strong, reaching $4.51 on the 22nd, and continentals generally have felt the benefit of the success of the German loan and the general working out of the Dawes plan.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Oct. 16	Par	Par	1 19-32	1 3-8
Oct. 17	Par	Par	1 3-8	1 -
Oct. 18	Par	Par	1 5-16	1 1-4
Oct. 20	Par	Par	1 9-32	1 7-32
Oct. 21	Par	Par	1 13-32	1 5-16
Oct. 22	Par	Par	1 7-16	1 13-32

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Oct. 16	4.49	5.26	4.36½
Oct. 17	4.48⅝	5.22	4.36¼
Oct. 19	4.48¾	5.22½	4.36
Oct. 20	4.48⅞	5.22	4.35½
Oct. 21	4.50¼	5.22¼	4.34¾
Oct. 22	4.49⅞	5.23	4.34¾

Canadian Pacific Service

A NATIONAL ASSET

As the greatest transportation company in the world, the Canadian Pacific Railway has maintained a national service in the Trans-Canada, Limited, which is second to none, and on the conclusion of the summer schedule of this crack train, has transferred the equipment to the Vancouver Express which leaves Toronto every night at 10.10 p.m. on its trip across the continent, via Winnipeg, Calgary, Banff, Lake Louise, the spiral tunnel, Sicamous, and parts of the Canadian Pacific Rockies, famous throughout the world, on its way to Vancouver, where the travellers are unanimous in their praise of the service of the Vancouver Hotel. The Canadian Pacific also operates a steamship service to Victoria, the Mecca for winter tourists.

Not only does the Vancouver Express carry tourist and standard sleepers, but it also carries a compartment-observation car complete in itself, while a parlor car is added from Revelstoke to Vancouver.

Added to this national service is a feature service from Toronto to Montreal via the Lake Shore Line, which has been entirely reballasted with crushed rock and relaid with 100 pound rails, insuring a maximum of comfort for travellers at night as well as an absence of dust in daytime. Trains leave Toronto Union Station at 9.00 a.m. daily, 10.00 p.m. daily, except Saturday, and 11.00 p.m. daily. Arriving at Windsor Station, the traveller has the benefit of immediate facilities in the women's rest room, lunch room and barber shop, which cannot be duplicated in any other station in Montreal. An added convenience is offered those who wish to travel to Montreal from North Toronto, in the 9.45 p.m. train, daily, except Saturdays, from Yonge Street Station.

Canadian Pacific agents will gladly make your reservations and supply you with any information you require. They are fully qualified to offer a "second to none" service to the public.

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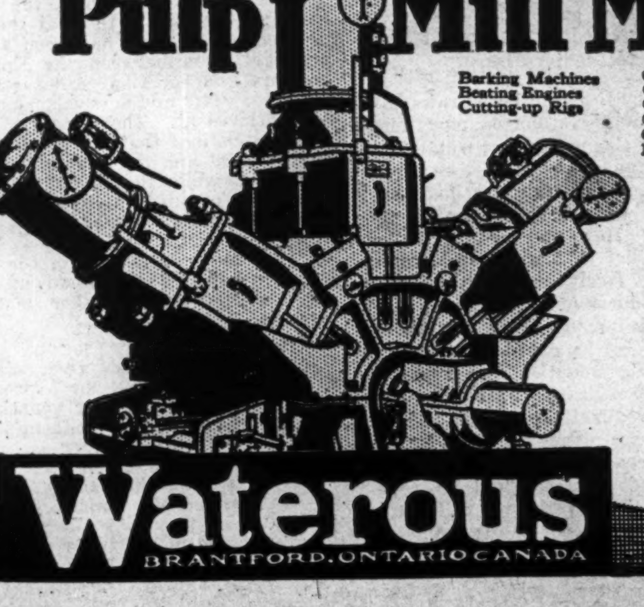
Secretary, M. H. HUTCHISON; Treasurer, T. F. McNALLY; Asst. Treasurer, A. C. McMILLAN.

Pulp Mill Machinery

Barking Machines
Beating Engines
Cutting-up Rigs
Centrifugal Pumps
Centrifugal Screens
Chippers
Chip Screens
Cut Wood and Refuse Conveyors
Cylinder Moulds
Pulp Wood Grinders
Log Haul-ups
Sulphur Burners
Success Screens
Wet Machines
We also Build
Boilers, Hand Stokers
Saw Mill Machinery
Road Rollers and
Steam Scarifiers
Steel Tanks
Write for Full Particulars
Waterous
BRANTFORD, ONTARIO CANADA

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, OCTOBER 24, 1924

MR. LARKIN GETS THINGS DONE

HON. P. C. LARKIN, Canada's very business-like High Commissioner in London, has been making a tour of Canada and before various public bodies has been telling in a most interesting, but matter-of-fact, manner of what he has been doing in England in looking after Canada's affairs. It is a record of accomplishment by a business man who was not to be diverted from his purpose of getting things done by social amenities and political red tape. London is a dangerous place for any but a hardheaded business man; the English have a way about them that is fatal to any but those of great determination. The U. S. ambassador, George Harvey, speaking from his experience, said the United States should change the state representative in London every six months.

Mr. Larkin favors a Canadian Minister at Washington. His predecessor, Sir George Perley, advocated a cabinet minister for Canada instead of a High Commissioner in London. Mr. Larkin's success in London and the good work that Hon. Mr. Roy is doing in France, in a similar capacity, suggests that in the case of both London and Washington, our interests would be quite as well served by a commissioner as by a minister and they would avoid the complications, possibly serious, which the political status of a diplomatic representatrve might get us into.

For the present at any rate, our interests in these two centres are largely commercial, and Mr. Larkin's success in London suggests that a man of his commercial experience could best fill these positions.

TOO MANY WHITE-COLLAR GRADUATES

THERE is a growing conviction among those who are studying world industrial developments that in Canada our educational system is producing too many white-collar graduates and not turning out sufficient number of competent mechanics—if our manufacturing concerns are to hold a place in world markets.

In a recent address, C. H. Carlisle, president of the Goodyear Tire & Rubber Company, predicted that Germany and France would soon be in a position to enter energetically into the world's markets, and as Ontario at present exports nearly 50 per cent. of her industrial production, particularly automobiles and accessories, he declared that we would have to face the problem of new competition from countries where wages were low and hours long.

To meet this situation requires efficiency on the part of both management and workers. Men who have made outstanding successes of their own lives—who have grown from poor boys into great leaders—almost invariably agree that boys should get to work at the calling for which they are suited and which they propose to follow, not later than fourteen years of age, because from fourteen to twenty are the years in which they benefit most from training. Many of the business and financial leaders in the United States and Europe are sending their own boys to work at the age of fourteen for this reason. Boys and girls will have a better opportunity to become prosperous and useful citizens if, after completing their public school education, at eleven or twelve, they can be sent to the technical schools to learn farming or a mechanical trade or given practical instruction in whatever calling they propose to follow, thus combining practical work with their further learning.

The cost of this enlarged technical education could be met, largely at least, by curtailing the heavy appropriations now made for higher education. The universities are doing a great work but there is tremendous waste of material and energy. Too many mentally undersized boys and girls are sent there on whom an art education is not only wasted but proves an actual handicap in that it takes the very best years of their life and unfits them for the work in which their talent would give a reasonable opportunity for success.

A former professor in a Canadian university, now an executive in a large organization in which the training of young men is one of his most important duties, said a few days ago that he had much fewer successes with university graduates than with boys who came with only a good common and high school education. Addressing the Toronto Canadian Club this week, Dr. Gordon Laing, M. A., Ph. D., D. Litt., stressed the great waste that this country and all countries are suffering through inefficient primary education. It is just as important that there be capable teachers in the public and technical schools as in the universities and this should be recognized in fixing the salaries paid.

FOR CANADIAN UNITY

THE question of national unity is receiving much thought from serious-minded Canadians. The following contribution to the discussion from the Saskatoon Star indicates at least one editor's willingness to have the West join hands with the East, but evidently only "over the dead bodies" of Ontario and Quebec:

"Canadian unity" is a phrase which is very popular with the politicians just now, but in the mouths of such tools the phrase means less than nothing. The kind of Canadian unity that is necessary is for British Columbia, the Prairie Provinces and the Maritime Provinces to realize their essential unity, join in a common cause and destroy the conspiracy of highwaymen that is slowly but surely strangling this nation to death. The word "highwaymen" is used advisedly, for they are nothing more than common footpads who cluster along the St. Lawrence waterway and take their unearned toll from every dollar's worth of goods that is produced or bought in Canada.

Nature has provided Canada with more than one artery; why the leeches that cling to the one channel of trade should be able to reach out and prevent the development of others remains a mystery until one appreciates the gullibility of a free people and the spinelessness, narrowness and cowardice of the men whom they elect to represent them.

The effect of the National Policy has been to make Montreal and Toronto the capitals of the Dominion, and to make colonies—or worse, mere appendages—out of seven Canadian provinces.

Here again we find evidence of the misunderstanding whicn has been created, regarding the industrial and financial interests of the country and of the necessity for educating public opinion to an appreciation of the part the manufacturers, the banks and other forms of big business are playing in a national economic organization essential to the prosperity of all sections of the community and all parts of Canada. In bringing about this better understanding THE FINANCIAL POST is endeavoring to play some small part.

EDITORIAL NOTES

IN REGARD to "all these efforts calculated to have the city enter the milk, the gasoline, the bread or the coal business," The Toronto Globe feels tempted to point out that they "merely herald the approach of municipal elections." It will be well for the people to try and discriminate between worth-while efforts to better conditions and socialistic fads designed to get some little politician into office.

* * *

CANADA'S High Commissioner in London, Hon. P. C. Larkin, speaking to the Canadian Club in Toronto, paid a distinct tribute to the press. He had recounted his experiences in gaining the sympathy of the cabinet ministers in London, anent the embargo against cattle. "But there is a greater medium to affect public opinion than even a cabinet minister, and that is the press," he paused to stress.

* * *

WHEN Toronto is considering launching into the retailing of gasoline and milk it might be a good thing for the city fathers to go back over some of the annual statements of civic finances showing the deficits which have resulted from the venture in the meat business as reflected by the losses on the municipal abattoir. There are certain services which a municipality should provide and others which experience has shown can be provided much more efficiently by private enterprise.

* * *

BECAUSE of the lower rate of interest now prevailing on government loans the Grain Growers Guide is renewing the demand on the government to go into the mortgage business and provide loans for Western farmers. However, we are inclined to the belief that with capital offering more freely and with prices of farm products sufficient to provide reasonable profits there will be less tendency on the part of the farmers to urge the adoption of schemes by the government. Then, too, there is a growing realization that the best way to get cheap money for farm loans is to give reasonable assurance that interest and principal will be repaid and that the government will not interfere between mortgagor and mortgagee.

What Mr. Larkin Has Done in England—and How He Did It

Canada's High Commissioner in London Tells of His Experiences in Getting National Business Transacted Despite British Diplomatic Red Tape

By HON. P. C. LARKIN.

Before leaving Canada I had had many serious conversations with Mr. Mackenzie King in which he had discussed with me many subjects that were causing him anxiety. The most serious of these was the embargo on Canadian cattle, and then there were the debts owing to us by Great Britain, France, Belgium, Roumania and Greece, amounting to more than one hundred and fifty million dollars. These debts should have been paid immediately after the war, but three years had elapsed and we had received neither principal nor interest.

Referring to the cattle embargo, you will perhaps remember that this embargo was put on about twenty-eight years ago, and it meant that all Canadian cattle had to be killed as soon as they arrived at an English port, and as the cattle were often in poor condition on their arrival, it meant that very low prices were received. All this was done in the name of safeguarding the British herds, whereas it was well known—and admitted by the British experts—that our Canadian cattle were perhaps the most free from contagious diseases of any cattle in the world.

This had been acknowledged by their experts at the Imperial conference of 1917, and Sir Robert Borden (at that time prime minister of Canada) was promised, that as soon as the shipping situation would permit, the embargo would be removed. Three years had passed since the shipping situation had become more normal and yet nothing had been done, and naturally Canada was anxious to have this obstruction to our trade removed.

Conference with Churchill

The first day I was in London I had an engagement made with the colonial secretary, at that time Mr. Winston Churchill, and went over in the afternoon to see him. I was very warmly welcomed, but I am afraind that I departed from the regular diplomatic form because a first visit should have been one entirely of courtesy. Having studied out the embargo question as I had, I was full of it, and, having the colonial secretary as my victim. I had to open up the subject. There was much to tell, and I took considerable time to tell it, pointing out—among other things—the solemn pledges that were given to Sir Robert Borden and his colleagues, and which had not been fulfilled although three years had passed since they were given. After listening to me patiently for I am sure the best part of half an hour, Mr. Churchill very kindly told me that he was convinced that the embargo should be removed, and as quickly as possible. He said he would make a public declaration to that effect, at some place in the United Kingdom, within a couple of weeks. He then turned and asked me if that would satisfy me. I told him, to be quite candid, no, because a pledge had been given by the government, of which he was a member, and that therefore a bill should be brought into the house by the government and the whole power of the government used to get it through both houses. He said that was impossible. "Very well then," I said, "if you make this public declaration it will be the first gun fired in what will be a successful battle." I parted from Mr. Churchill feeling that I had met with a considerable measure of success in my first diplomatic attempt.

I might add here, that after about a year's very hard work, many dinners eaten at which the later conversations concerned our grievance, visits to country houses, and the discussion at opportune and inopportune times of the cattle embargo, the government at last brought in a bill, and it passed both houses of parliament.

Financial Questions

The next subject I took up was on the second or third day I was in London and that was one of the very important financial questions.

During the war Canada had advanced to Great Britain twelve hundred and fifty million dollars (and I might add that our banks advanced an additional three hundred million dollars). The banks had been paid back in the currency in which the money was borrowed, that is Canadian, but there were difficulties in the way of adjusting the debt to the Canadian government, for the British government had bills against us for the upkeep of our troops in the field amounting to within one hundred and thirty million dollars of the amount we advanced, and they desired to pay us the balance in sterling, the sterling tobe credited to them at the par of exchange. There had been a dispute going on between the English treasury and our finance department for three years and no settlement had been arrived at. The Canadian government claimed that there was some one hundred and thirty millions still due them, while the British government only admitted a little over one hundred millions. The position I took up at once was, why not pay at least this one hundred million in the currency in which it was borrowed, and we would settle the other matters later on.

After several very serious talks they agreed to pay us five millions in cash and they gave me a promise to pay five millions per month on account of the hundred odd millions. This was quite satisfactory as to the open account. The dispute as to the value of sterling had to be left to arbitration, and Mr. Asquith acted as arbitrator. His award was partly in our favor and partly in favor of the British government. I may say that the last instalment due us was paid off last March.

Then, as you will remember, immediately after the war we had advanced one of the European governments twenty million dollars, and another, eight millions. The first one mentioned had never paid a cent of either interest or principal in the three years that had elapsed and a well-known Montreal banker told me that he did not value the whole debt at the amount of a year's interest. Some days after I had been in London I got as much information as I could about this matter, and had my secretary ask the secretary of the ambassador of that country if the ambassador would come over to see me, which he did the folowing day with his two secretaries. I found him a very accomplished gentleman, he could speak French very well and English fairly well. I pointed out to him the state of our loan to his government, as to which I found he had full knowledge. I drew his attention to the fact that whatever they did with their pre-war or war debts, if they did not take care of their post-war debts, their credit in Europe and America would always be of the very lowest, whereas, if they took care of the debts that they had incurred since the war there would be an immediate rise in their securities which were then being offered in Paris and London. I might mention that their securities, at that time, were at a very low ebb.

Put on Export Tax

The ambassador told me that the war had inflicted such burdens upon them that they really could only make ends meet, but during the course of a long conversation, I suggested that they should put a very small tax on grain of all kinds, and this would take care not only of the interest, but also provide a sinking fund for the principal and re-establish their credit in Europe, and, if they would do this, my government would reduce the interest on the debt from 5 per cent. to 4 per cent. and spread the payments over twenty years, taking bonds for the same. It took many interviews, extending over several months, and much cabling, but the ambassador finally persuaded his government that this would be good policy, and their parliament placed an export tax on grain, as per arrangement ear-marking this tax, which, when it was collected was to be sent to England to pay the interest and provide a sinking fund for payment of the principal of their debt to us. I may say that this arrangement has been strictly adhered to. We have received about two millions from that government and there is at present sufficient in the bank in London to pay two instalments of interest not yet due.

It might be of interest to tell you that after I first met the ambassador I had a talk with the officials of the treasury in the course of which they asked me what I thought of the ambassador, and I said I thought he was a very able man indeed. They then told me that this gentleman had the reputation of being the ablest financier in Europe. When I told them of my proposition and asked their opinion of it, they said they thought it was a very good one, and that they would very much like to come in on it as this country also owed them about fifty millions sterling.

Another Payment

Then there was another country to which at the cessation of the war we loaned eight millions and they were behind in payment of both principal and interest. I made an arrangement with them and we have received to date about three-quarters of a million dollars on account, and I look forward to these two accounts being entirely liquidated.

In less than three years the high commissioner's office has collected debts to the extent of over a hundred million dollars.

Then the government wanted somebody to take charge of the Canadian National Railways, and the present secretary of state for the colonies, then a labor member of parliament, introduced me to Sir Henry Thornton, at that time general manager of a great English railway system, and, ultimately, Sir Henry undertook the great responsibility that he has, and I am sure that all Canadians feel that they have every reason to congratulate themselves in having such a great public servant as Sir Henry has proved to be.

Freight Rates on Flour

The high commissioner's office has many subjects to deal with in the course of every month. For instance, we suddenly learned that Canadian flour was being discriminated against, that ocean freight charges were from three to six cents a hundred higher on flour ground in Canada than on flour ground in the United States. In other words, the Canadian miller, no matter what port he shipped out of, was paying a higher rate than the American miller, even though both lots might go forward on the same ship. The question was how to handle this. Well, I knew that there was an Imperial shipping committee in London, that might be turned to the advantage of the shippers as well as the ship owners, and so I placed the Canadian case before them. Inside of a few days after our complaint appeared in the newspapers the discrimination ceased to exist, much to the satisfaction of our millers.

Then we heard that the government of India proposed giving out contracts for the building of cars for their railroads and that the specifications given out did not suit our car builders, and so we did what we could to get these specifications altered so that our Canadian car builders could compete.

We learned that some of the other dominions with which we have a preference on our products were inquiring into the right of the Canadian motor car manufacturers to have this preference extended to them as representations had been made to them that only small parts of cars were made in Canada and, therefore, we obtained evidence and placed it before these dominions proving to them that as much as 87 per cent. of the whole motor car is produced in the Dominion of Canada.

Canadians in Distress

There are also cases of Canadians in distress. We have dealt with as many as 240 of these cases in a month. We have inquiries from Canadians who belonged to our expeditionary force to the number of sometimes over a hundred a month.

Then there is the matter of new quarters in London. The Dominion government has about one hundred and sixty employees in that city and these were housed in four different parts of the city, miles apart. Within the last couple of years all of these departments have been placed under the high commissioner and it is economically sound to get them all under one roof where the high commissioner, who is responsible, can see what they are doing. Therefore, it was decided to purchase a building and in buying the Union Club in Trafalgar Square we got the very finest position in London, and perhaps in the world. I am sure that the saving to be made through carrying on our work under one roof will prove sound economy. Aside from that, we will have quarters that every Canadian will have reason to be proud of.

I have only alluded to some of the duties and some of the work performed by the high commissioner's office. I feel that it has justified its existence, and that were we represented by a minister in Washington ,we having such close and intimate trade relations with our American cousins, he would be worth millions of dollars every year to Canada.

Mr. King's Message to the West

Whether Premier King's tour of Western Canada presages a coalition between the Liberals and the Progressives, as compared with the present working arrangement in the Commons, or whether it is designed to placate the West in its demands upon the government for various legislative concessions, which do not seem to have been by any means satisfied by the tariff reductions made thus far, the visit is one of great political significance, as indicated by the interest with which it has been followed by the newspapers reflecting the opinions and policies of all parties and factions. It is realized by the rest of Canada, as the Manitoba Free Press so well states, that the people of the West "are off the party preserves, and are roaming the free ranges." However, there may not be general agreement with the further opinion that:

"The regular party organizations are now mere rumps, made up largely of fossilized standpatters who have not the slightest perception of the actual facts and live in a world of illusion and make-believe. Nor can this condition be changed by merely verbal appeals, because the causes which have brought about this political transformation are still operative with a power not to be exorcised simply by words."

Hit at Big Business

Throughout the expressions of Western opinion from various sources there is noted the more or less general conviction that the big industrial and financial corporations of Ontario and Quebec have obtained tariff and other privileges at the expense of the people of the other provinces. The Saskatoon Star goes so far as to talk of footpads along the St. Lawrence waterway levying toll upon the people of the rest of Canada. The Manitoba Free Press refers to this Western attitude in a more tempered vein when it says that the underlying cause for the formation of the Progressive party was "an almost universally held belief that the old parties, dominated by Eastern ideas, controlled by Eastern men, financed by Eastern money, were agencies for the suppression, in the name of party regularity, of Western ideas." Continuing, the Free Press declares that it is not only Western Canada that "is in definite revolt against policies—fiscal, financial, railway and administrative policies—that make this whole country the oyster for powerful, organized, centralized, arrogant and purblind interests," and calls upon the Liberal party to take a course which will secure the co-operation of the Progressive and Radical elements.

Mr. King's Overture

That Mr. King's line of campaign is to strengthen his alliance with the Progressives into a definite political coalition is the opinion which has been strengthened with the progress of the Western tour. Speaking at Brandon to an audience which contained many Progressives, including their leader, Robert Forke, the premier said:

"If the forces of these who think Liberally and Progressively are united from the Atlantic to the Pacific, there is going to be a long term of Liberal-Progressive administration. But if divided, we come to face the forces of high protection, which are never divided when the need arises, then we may have an even longer period to regret the mistake we have made. Division in our forces is likely to mean victory for the party of Arthur Meighen.

"We are told that what has been done by this government in the way of tariff reduction has been done under pressure of western Progressives. That is not true. It was done because we are seeking to carry out honorably promises we made to the people of Canada and to put into practice the Liberal platform of 1919."

The Moose Jaw Times declares that "ever since he took the reins of office, Premier King has been endeavoring to conjure the Progressives into the Liberal party, and in his speech at Saskatoon he admitted that this was one of the objects of the Western tour." The Times, continuing, comments cynically that evidently Mr. King's idea of unity in Canada is the unity of the Liberal and Progressive parties.

Paying the Price

If Mr. King is desirous of cementing the allegiance of the Progressives, there are indications that he will have to face even greater demands for legislative and other concessions. The Grain Growers' Guide, the organ of the party, is out with pretty definite demands:

1. Is the King government going to make a real reduction in the protective customs tariff? This is an agricultural country, and the protective tariff is a real burden upon agriculture. We need a lower cost of living and a lower cost of production. Tariff reductions—real adequate reductions—will help towards this end.

2. Mr. King's government has recently sold $50,000,000 worth of 4½ per cent. 20-year bonds at slightly under par. In other words, the government has borrowed $50,000,000 at a rate of interest considerably less than 5 per cent. The farmers in this country are paying 8, 9 and 10 per cent. interest on short-term bank loans; and 7, 8 and 9 per cent. on long-term mortgage loans. Agriculture is literally staggering under such high rates of interest. No other industry could pay such rates of interest and live. Cannot Mr. King make arangements by which the benefits of the low rates of interest at which the Dominion government borrows money, can be extended to the farmers of the West, and save them an average of 2 to 2½ per cent. interest upon their borrowings? What people out here would like to hear from Mr. King is a proposal for a real genuine reform of the second chamber that would transform it into a useful part of our parliamentary system.

4. People on the prairies would like to hear what Mr. King is going to do about the transferable vote.

5. Another matter which is of importance to the farmers of the prairie provinces is the undistributed balance of the Wheat Board funds. Mr. King will remember that when the Wheat Board closed up its business in 1920, there was the considerable sum of $560,000 turned over to the federal treasury. That money belongs to the farmers of the prairie provinces and to one else. It should be returned to the three prairie governments in proportion to the wheat marketed in 1919.

6. Then there is the question of the Hudson Bay Railway, the completion of which has been promised by the Liberal party for a great many years. Does Mr. King really propose to finish it or let it lie idle and rust out?

Hudson Bay Railway

On the Hudson Bay Railway, Mr. King did not make himself very definite. At Winnipeg he said:

"I am not going to say," he continued, "that the Hudson Bay Railway will be completed at once by the present Administration. I believe that, to bring in a bill in the House of Commons just now to complete the road would be simply to encounter such opposition as might very materially defeat the ends of those who have that great undertaking most at heart. I believe that if such a bill were brought before Parliament it would not pass the Senate at the present time."

This attitude is not at all satisfactory to the Regina Leader, which, on behalf of Saskatchewan Liberals, calls for a "show down."

The fact that the prime minister is in favor of completing the line is interesting, but unless the government as a body is in favor of it nothing will be done. A statement that the government as a body is in favor of completing the line would also be interesting; but it would raise no hopes in the West unless it were accompanied by an explicit statement as to when the completion of the road may be expected. The prairie provinces have waited forty years to get their produce out by the shortest and most economical route to their overseas markets. They are weary of promises and equivocation. They want a showdown.

The Winnipeg Tribune thinks that construction of the road is not held up because of the attitude of the Senate, but because of what the government choses to regard as good and sufficient reasons, and suggests that "it would be far more courageous for Mr. King to say exactly what these reasons are than to add to the Senate's burden of real sins another offense wholly hypothetical in character." The Victoria Colonist thinks that "in this case the East is right and the premier is simply humbugging the people of the West; the Hudson Bay Railway is purely a political road, and the people will surely have nothing more to do with building railways to keep governments in power."

Reforming the Senate

Nor do the Western papers appear to accept that Mr. King is determined—if sincere—in his efforts to reform the Senate. It is suggested that his statements "suggest the presence of almost insuperable difficulties, and seems calculated to prepare the way at the outset for failure."

A Privileged Class

References to the privileged classes in the East during the tour of Mr. King have not been confined to the speakers for the Progressives, and the Western newspapers. At Port Arthur, in discussing the country's fiscal policy, Mr. King stated that there had grown up in Canada "a class of privileged persons, so far as taxation is concerned," made up mostly of those who, during the war, were able to invest large sums in tax-free Victory bonds.

Also, Mr. King referred to the tariff policy of the government, telling the Progressives at Brandon that the rejection of reciprocity "was the worst thing Canada ever did; the West would have profited economically as well as the East in a large measure by such a deal with the South."

November Investments

To those with funds now available or funds which will be shortly available, our new Investment List will be found of interest.

This list contains a wide selection of securities of Canada's provinces, cities, towns and industrial corporations, together with an attractive list of odd amounts.

Canadian dividend and interest payments from October 1st to November 1st inclusive will approximate $85,000,000. In addition large cash payments will be made in connection with the Dominion Loan due on November 1st, of which there is now approximately $107,000,000 outstanding. As a large portion of these funds, together with other available funds, will be seeking investment, we suggest that selections be made as early as possible.

Copy of November List
on Request.

A. E. AMES & CO.

Investment Securities

Union Bank Bldg. Toronto
Transportation Bldg. Montreal
74 Broadway New York
Belmont House Victoria, B. C.
Harris Trust Bldg. Chicago

Established 1889

Investors' Inquiries

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

CANADA CEMENT

Reader, Sherbrooke.—Do you consider it advisable to sell Canada Cement common at present prices?

There is no reason to be concerned about the future of Canada Cement and we do not feel that it is necessary to sell the common stock at present prices. In fact the present price is below the high that has already been touched this year and which seems to have been justified by the apparent prospects of this company.

CANADA STEAMSHIPS

Reader, Montreal.—I would appreciate any information you can give me regarding Canada Steamship Lines preferred bought at 53.

Canada Steamship Lines is still in the midst of the process of climbing from the unsound position it got into before the recent re-roganization. In all probability the preferred will come back in time, and, rather than sell at present prices, it might be well to hold on, especially as you are in a position to carry the security.

WOODS MANUFACTURING

Reader, Quebec.—I have some Woods Manufacturing preferred stock bought at 67, and would like your opinion regarding this company.

There is not a keen demand for Woods Manufacturing Company preferred shares. However, you purchased them at a low level, and, as the company's finances will improve with the upward swing of business, and the general growth of the country, it would seem wise to hold the stock.

MANITOBA POWER

Enquirer, Montreal.—I have some Manitoba Power common stock which I bought at 18, and which I have been holding for sometime with no improvement worth speaking about.

Manitoba Power Company has not sold its entire output yet, and there must be considered improvement in conditions in Winnipeg and district before a large increase in power sales will take place. This, however, is bound to come, and, in time, Manitoba Power common should reflect the larger earnings that are in prospect.

HURON AND ERIE MORTGAGE

R. M.—Ontario.—I would be obliged for your opinion of the safety of three or five year debenutres of the Huron & Erie Mortgage Corporation, London, bearing interest 5½ per cent. Are they a suitable investment for a portion of trust funds? Has the security of these debentures been affected to any appreciable extent by the unfavorable mortgage legislation in the prairie provinces?

The Huron and Erie Mortgage Corporation is one of the oldest, most solid, and best managed of Canada's mortgage institutions. The debentures are recognized by legislation as a trustee investment.

The profits of the mortgage loaning institutions have, of course, been affected to some extent by legislation in some of the provinces, which provides various prior claims for taxes, etc. However, the seriousness of this situation is in curbing the activities of the mortgage corporations rather than in actual losses involved, which are not particularly serious in relation to the total loans and assets of such a corporation as the Huron and Erie.

SELECTING BONDS

D. T., Ottawa. — I hold some bonds of the Canadian Paperboard Co., and the Metropolitan Building. Would it be advisable to exchange them for City of Edmonton bonds or any bonds of like character?

We regard Canadian Paperboard bonds as a good investment in its class, and Metropolitan Building likewise a good proposition as a building bond. If you purchased these bonds as they should have been purchased, there seems to be no reason why they should be sold at this time. On the other hand, if industrial bonds or building bonds were not suited to your requirements, that is, if it is desirable that you should have a higher class of security and are willing to accept a smaller yield, then you might consider bonds of the city of Edmonton, or of other municipalities in good standing. Municipal bonds are, of course, in a higher class, generally speaking, than industrial or building bonds, and are more readily marketable in the event of it being desirable to realize.

Therefore, if you hold something which is not suited to your requirements you should consider a change. If, however, these bonds were bought with a proper understanding of their rating, we see no reason why you should sell.

BRITISH EMPIRE STEEL

R. N., Quebec.—What is your opinion of British Empire Steel 1st preferred?

Things are deadlocked in British Empire Steel. Earnings this year are going to show a serious decline, and it is doubtful if fixed charges will be earned, much less the preferred dividends. The future is still a bit uncertain. It is our opinion that the preferred shareholders should not liquidate, but rather be patient while conditions are working themselves out.

DETROIT UNITED

G. R., Montreal.—What is your opinion of Detroit United Railway?

The Detroit United Railways is going to show a large decline in earnings this year. Definite steps are being taken to improve operating conditions, but it will be a long, slow pull, and it is doubtful if it is worth while to wait for the stock to show noticeable improvements. It might be best to sell the present levels and invest in something that gives you a return.

A WELL-SELECTED LIST

W. C., Ontario.—I would appreciate it very much if you would give me a list of investments which you would recommend for one in my particular circumstances. I am thirty-two years of age, married, with three children. I have $7,000, 20-pay life insurance, $2,000 of which is paid up in six more years. I have $500 Victory bonds 1933-34, $500 Kemptville Creamery stock, which so far has paid a good dividend; $1,500 in real estate, $200 Laurentian Power bonds 6 per cent., bought at 98; $700 farm mortgages at 6 per cent., $200 reliable farmers' note 7 per cent., $100 shares Teck-Hughes, bought at 118. My income is about $3,000 per year. I have $500 now to invest and have been considering C. N. R. 5 per cent. income charge debentures due 1930, quoted now at $570 for $1,000 bond, and Metropolitan Building 7 per cent. bonds. I want good yield, of course, with highest degree of safety. I also have $3,000 to invest for my mother. She is not solely dependent on this. But I must invest it safely and to yield as good a return as possible. I have been thinking somewhat along this line: $1,000 Metropolitan Building bonds, $1,000 C.P.R. stock, $1,000 Laurentian Power bonds 6 per cent., due 1936, to yield 6.4, or Acadia Apartment 6½ per cent. bonds, yielding 6.65 per cent. What would you suggest?

Looking over your list of investments—Life insurance, Victory bonds, and other securities—one is impressed that you have used good judgment with regard to probable returns so long as you are able to give your investment affairs active attention. All things considered, we believe you have placed your funds to advantage.

With regard to your suggestion of C. N. R. income charge debentures and Metropolitan Building bonds for a further investment, we would advise Metropolitan Building, in view of your reference to yield. We believe that interest and principal are reasonably assured. In the case of the C. N. R. issue, we would point out that no interest is paid unless earned, and it is, therefore, unlikely that there will be any interest between now and the expiration of the period in 1930. A return of $1,000 in six years for a present investment of $570 is an attractive speculation, and there has been considerable dealing in these debentures recently, with an advance of about 10 points over a few weeks. The payment of the principal seems reasonably assured when the issue is due, but we would point out that it cannot be regarded as a direct government obligation because there is no definite assurance that the government will own the railway six years from now.

In the case of an investment for your mother, we would ordinarily advise nothing but government or the best municipal bonds. However, under the circumstances you have outlined, we believe that the securities you mention should prove satisfactory. In addition to the Metropolitan bonds and the C. P. R. stock, we would suggest the Laurentian Power bonds, particularly as you already have A1 selection in the building bond group.

CAN. LIGHT AND POWER

K.E.N., British Columbia.—I hold two $1,000 bonds of the Canadian Light & Power Co., purchased at a price of 82. I would be glad if you could give me any advice or information that you have on these bonds and now that the company has been taken over by the United Securities group just how it will be affected, and if the company will probably be sponsored by the Montreal Light, Heat & Power Co., under the new amalgamation.

The future of your Canadian Light and Power bond is a bit uncertain. It might have been expected that the acquisition of this company by the United Securities Corporation would improve the market price of this bond. This has not followed, and the raeson is that Canadian Light and Power is not likely to prove a profitable acquisition for the new company. At present it is hardly worth more than the outstanding bonds. It is conceivable, though not definite, that the United Securities Corporation would permit the company to go into liquidation, and have the bondholders foreclose on their mortgage. There would then be a forced sale of the property.

It is the possibility of some such action as this that has kept these bonds at their present level.

ASBESTOS CORPORATION

K.N., Vancouver.—I would be extremely grateful if you would give me your advice in the following regard. I hold 100 shares of Asbestos Corporation common stock at 63, and 50 preferred at 84. I am quite satisfied that fundamentally these stocks are easily worth these prices and will return as soon as conditions improve. Although I have not heard how the company is operating this year I have no doubt that their financial position is as strong as ever. It occurred to me, however, that as the market is so very quiet just now it might be worth my while to pick up a further 100 shares of common at around 25 in order to average down my price to about 45 on the whole. In the alternative I might buy a further 50 or 100 shares of preferred but this would, of course, not average down so much.

Your further investment in Asbestos Corporation would be distinctly a speculation. The conditions in the asbestos producing industry in Canada are very unsatisfactory. The mines are selling their product at a price that does not permit them to earn the profits to which they are entitled. This is due to a number of circumstances, but the situation is one that cannot long be permitted to continue. Eventually there will either be co-operative action by the companies, or Federal regulation of the asbestos industry to improve conditions.

Any improvement will be immediately reflected in the earnings of Asbestos Corporation, and for that reason the preferred and common shares of the company are not an unattractive speculation.

The one difficulty is that improvement may be long delayed, and thus funds invested in the shares would be tied up for some considerable period. We do not think you need to fear the loss of your capital, because Asbestos Corporation is in a strong liquid position and able to withstand any protracted period of depression.

SOME INDUSTRIAL BONDS

W.L., Toronto.—As I get valuable information in your paper, I would like your opinion on the following list of bonds. Which are the best buys, keeping the yield in view? Abitibi 6%, 1940; Canadian Salt 7%, 1941; Southern Canada Power 6%, 1948; Belgo Canadian 6%, 1943; P. Burns 6½%, 1943; Maple Leaf Milling 6½%, 1943; Jamaica Public Service 6½%; Manitoba Power 7%, 1941; Howard Smith 7%, 1941; Brompton 8%, 1941; Canadian Paperboard 7%, 1937; Famous Players 6½%; Drummond Investment 6½%. I am a young man with no dependents and already hold considerable real estate, $1,000 Wayagamack bonds and 200 shares Keeley Mines.

The securities you mention vary considerably in safety, marketability and yield. In investment you usually get what you pay for, and when you buy a high-yield security you will usually find it lacking in some of the other investment qualities. You mention Canadian Paperboard bonds. Those bonds are fairly well secured, and the company is making steady progress. But the issue is only now developing a ready market, because it is not widely known and not fully seasoned. A recent quotation showed a spread of four points between the bid and asked price. If you buy this bond you will be getting a higher yield than you can get on any of the other securities you mention, and you will be getting a bond that has real strength behind it, but it will not be as easy to convert it into cash at any time you desire the money as if you had invested in Abitibi sixes, which yield only 6.20 per cent.

The only other bond on your list giving a really high yield is Howard Smith. This bond was sponsored by strong interest, but Howard Smith is handicapped by the fact that it must find its market almost entirely in Canada, and the Canadian market is after all comparatively small. The company has been making some progress, and the action of the directors in suspending dividends on the common stock must be regarded as a factor of strength for the bonds. This issue should recover a good deal of the ground it has lost.

The other issues you mention are all good bonds, well secured, and returning a fair yield.

STANDARD AND STERLING

Banker, Hamilton.—Will you please let us know if in your opinion the proposed amalgamation of the Standard and Sterling Banks will strengthen the position of the Standard Bank? Do you advise holding Standard Bank stock purchased at a much higher figure than quoted at present?

As you do doubt appreciate, the big problem of the smaller banks under the present conditions, with keen competition in the banking world, is to keep down overhead expenses. From this standpoint, both the Standard and Sterling Banks should benefit from the proposed merger. This has already been reflected in advances in the quotations for the stocks of both institutions. Under the circumstances, we would say that the merger is an argument for holding shares of the Standard. The justification for the arrangement would seem to be an improvement thereby in the affairs of both institutions. Following the adjustments in its financial affairs, recent changes have indicated an improvement in the executive administration of the Standard, while the Sterling has been regarded in finanical circles as a sound, well-managed institution, but handicapped, because of its size, in the keenly competitive field.

DURANT MOTORS

Reader, Cornwall.—I would appreciate any information you can give me regarding Durant Motors of Canada.

Durant of Canada has been meeting with fair success for a new company in pushing the sale of its cars. This year a new model was introduced and is going well. The future of the company will depend on its ability to hold its own in a highly competitive centralized business in which costs will have to be cut to the bone and profits held at a narrow margin. The time is fast approaching, say auto authorities, when new sales will consist almost entirely of replacements, and the used car situation will undoubtedly be a factor here. Durant of Canada shares are transferable into shares of the parent company, Durant of Deleware, the exchange basis depending on the price paid, whether 15, 12, or $10, and, consequently, the price of the Canadian shares to-day is in its proper position to the price of Durant of Delaware in New York. The shares are regarded as a business man's investment.

AN ATTRACTIVE LIST

Banker, Saskatchewan.—I should be pleased to receive your opinion of the following: Dominion Steel pref., Ogilvie common, Laurentide common, Steel of Canada common, Spanish River pref., Lake of the Woods common and Dominion Textile common.

It is an interesting and valuable list of securities that you have suggested, nearly every one of them having some definite possibilities for advancement.

Dominion Steel preferred was once regarded as one of the finest investment securities on the Canadian list. Developments in British Empire Steel Corporation have shaken investment confidence in this security, but at present it is a decidedly interesting purchase and one that offers excellent opportunities for advancement. No matter what happens to British Empire Steel Corporation it hardly seems conceivable that any serious loss can come to the holders of Dominion Steel preferred; in fact, it should be possible to restore the security to something of its former standing.

Ogilvie Milling common is the highest priced stock on Montreal Stock Exchange, but its dividend rate is the highest of any security listed there. On basis of the dividends for the past few years Ogilvie common at present prices returns the investor a generous yield and the record in the past has indicated that substantial yearly bonuses are to be expected.

Lake of the Woods Milling is another good milling security and one that is rapidly building up a large following. It has had a considerable advance this year. but is favorably regarded even at present levels.

Spanish River preferred is selling at a few points below the high levels recently established. The net return is low just now, but it is to be expected that dividends will be established on a higher scale in the not distant future, which would justify the present or even a higher price.

Dominion Textile common is an excellent security and one that has fine elements of strength in it, but there is some question if it is a buy at present levels. While the future of the company is assured it must not be forgotten that the present price is close to the high points for all time and is perhaps as high as the present rate of dividend justifies.

Laurentide common at present levels can be regarded as a satisfactory investment. Many people are doubtful as to Laurentide's future. It is widely felt that the company's timber supply is hardly sufficient to insure its permanency as a pulp and paper producer and it is widely felt that there is nothing in Laurentide's position to justify the belief that the present dividend ever can be increased.

A CHALLENGING BISHOP

A year ago Bishop M. F. Fallon, London, was in poor health. His friends were worried over his condition. That he has "come back" is evidenced by the fact that he has just issued a challenge to anyone his age in London to play 18 holes of golf. A reporter asked if he would tell the truth about the score, to which he replied that an umpire would be necessary, as "no golfer can tell the truth about his score."

As it is only of late that His Lordship has become known as a victim of the ancient game, the above challenge would seem to indicate a "complete recovery."

Current Opinion

THE HAND EXTENDED

(Sydney Record)

If other provinces show a disposition to deal reasonably with the Maritimes they will not find the Maritimes unreasonable. The Maritimes are easy to get along with when the other fellow meets them half way.

SPECULATE AT HOME

(Kingston Standard)

THE FINANCIAL POST says that speculating in German bonds is a poor gamble at best. How Canadians can fall for this German propaganda when they have good mining propositions at home to speculate in if they want to, is a puzzle.

SOMETHING OVERLOOKED

(Midland Free Press)

From the statement sent to the creditors of the Harmer-Knowles Trucks, Limited, by N. L. Martin, the assignee, that concern had $1.14 in cash in Toronto. No person seems to have known of the existence of that sum, as it was not garnisheed.

WINTER BUILDING CONFERENCE

(Kingston Standard)

Better late than never can be applied to the announcement that a conference of all the associations of builders in Canada will be held next January to consider the question of the advisability and feasibility of winter building. This, it may be remembered, was advised as one means of supplying employment during the coming winter at the recent unemployment conference held at Ottawa, but no practical steps, so far as we have observed, followed this recommendation.

PROGRESSIVE BANKERS

(Saskatoon Star)

The American Bankers' Association, in deciding to establish a national bureau to give Americans authoritative advice on contemplated foreign loans, has taken a step in the right direction.

If Canada had had such a bureau, actively functioning during the past few years, not so many good Canadian dollars would have been squandered on thistledown currencies of Europe, and might have been diverted to sounder and more profitable investments at home.

Much has been said about the professions of law and medicine becoming preventive rather than curative. The banking profession could well adopt the same line of progress.

IMMIGRATION AND UNEMPLOYMENT

(Nelson News)

The recent conference at Ottawa on unemployment at least shows that this situation is of sufficient importance to warrant serious thought.

While some interests seem opposed to permitting any but the most restricted immigration, new settlers constitute the only source of genuine improvement.

With this national obligation to be met, the Dominion is impelled to look for new settlers. There is any amount of room, too, for a much greater population. Canada is naturally endowed with great potential sources of wealth. There is no lack of fertile land, and the climate is all that industrious northern people could desire. There should be employment opportunities for all.

WHEN BOND PARTNERS LABOR

(Wall Street Journal)

The midnight oil conspicuously illuminated the offices of J. P. Morgan & Co. last week as the partners labored into the morning hours on the details of the German loan. Banking house partnership has its apparent sinecures in big incomes, frequent holidays, sometimes mid-morning arrival at business, town houses and country residences, but it is not all "beer and skittles." Clerical forces may have fixed hours daily but not so the partners. Some details may safely be left to employees but in the big things members of the firm and department heads must themselves attend to many details. Few important deals are put through without entailing late hours of study at office and home during which opera, theatre and social functions know them not.

ADVERTISING CANADA FOR TOURISTS

(London Free Press)

The city of Vancouver for a number of years has been advertising the advantages of Vancouver and British Columbia for tourists through its publicity bureau, under the able management of J. R. Davison. The campaign is bearing fruit in an ever-increasing tourist trade. Estimates for the province of British Columbia run as high as $36,000,000 as the amount tourists left in the province last year. Every year the stream of people from the south is growing.

Vancouver proposes that the campaign, which that city has undertaken should be nation-wide and that the Dominion government should advertise extensively throughout the United States. Vancouver has memoralized the government accordingly. It is suggested that the Dominion's program of advertising should dovetail with that of the publicity departments of the C. P. R., C. N. R., Canada Steamship Company, provincial governments and cities like Vancouver which indulge in advertising.

London and western Ontario saw this year, like Vancouver and British Columbia, a tremendous stream of tourists from the States. How much it has meant in dollars and cents it is hard to estimate, but even in good feeling it is worth a lot to Canada. That this trade can largely be increased is undoubted. The western Ontario United Boards of Trade should be ready to join with Vancouver and the Dominion government in making better known the advantages of Canada from a tourist standpoint. It is a business worth encouraging and united effort can do immensely more than each part of Canada working by itself. The idea of Vancouver deserves indorsement.

TOO MUCH TAXATION

(St. Catharines Standard)

The partisan press of the Dominion has been sounding loud praises for the excellent way in which the finance department at Ottawa has been functioning, but THE FINANCIAL POST is authority for the statement that the city of Toronto and Prince Edward Island have received more for bond issues than was paid to the Dominion.

The point is also outstanding that there was no difficulty whatever in Canada disposing of the bond issue. It seems that the money was available in this country several times over. The reason for that is the preference of the investing public for something absolutely safe, rather than the placing of their money in any industrial enterprise, which has to carry heavy tax burdens. From all parts of the Dominion the complaint comes that heavy taxation is holding industry back. Money which should be invested for the development of industry is being put in safer channels. Tariff tinkering has helped to bring about this condition, but the main cause of depression, and The Standard is by no means a calamity howler, is the high taxation under which the country groans.

There can be only one government remedy applied and that is economy. We are not reducing our war debt, as is the case with other Dominions but have added to it. The government of the day must clamp the lid on tight. The future has been mortgaged quite sufficiently for this generation and the generations to come. If business were relieved of some of the taxation under which it is groaning at present, there would be undoubtedly a revival all through the Dominion. It is this revival which everybody is hoping and praying for.

PERSONAL

J. H. OLDFIELD, a pioneer in Winnipeg real estate and insurance fields, died recently in Victoria, B.C., where he has been living retired. Born in England, he first tried out South Africa and then went to the Canadian West in the early eighties. In connection with the real estate business he developed a substantial insurance and mortgage business.

* * *

CHARLES FERGIE, who died in Montreal this week, was regarded as one of the leaders in the coal mining industry of Canada. Most of his life was spent in the service of the Intercolonial Coal Mining Company, first as manager and, in recent years, as president and managing director, with office in Montreal. During a break in his service for this company he was superintendent of mines for the Dominion Coal Company and later a consulting engineer in private practice. At one time he was president of the Canadian Mining Institute.

A Complete Investment Service

As investment bankers we purchase, and offer our clients, high grade bonds and shares.

As members of the Montreal Stock Exchange, and having direct wire with members of the N.Y. Stock Exchange, we secure prompt execution of all orders in Canadian and American securities, whether buying or selling.

Greenshields & Co

17 St. John St., Montreal
also Mount Royal Hotel Building

TORONTO 14 King Street E.
OTTAWA 46 Elgin Street

Our New Pamphlet Should Interest You—

if you hold maturing Victory bonds or if you have other funds to invest. It describes a wide selection of high-grade bonds which should meet the requirements of all investors. It also reviews the present market situation.

Write for a copy

Wood Gundy & Co.

36 King St. West Telephone Main 4280

For Reinvestment

On November 1st $107,000,000 Victory Loan Bonds will be redeemed in cash. The refunding loan of $50,000,000 was rapidly subscribed and the large majority of holders of maturing bonds must place their funds elsewhere. It is essential that they seek the greatest annual return consistent with absolute security.

Province of Ontario 5% Bonds, Due Oct. 15, 1948. Price: 102.83 and interest

satisfy every requirement, and we will pay the market price, at present about 100.20 and interest, for 1924 bonds in exchange for this security.

Denominations: $1,000 and $500

Gairdner, Clarke & Co.

312 Bay Street, Toronto — Dominion Express Bldg. Montreal

Harold A. Tubby & Company Limited
Investment Bankers
Government, Municipal and Corporation Bonds
Mining Claims in Northern Manitoba for Sale
Correspondence solicited
PARIS BLDG. WINNIPEG

WE WANT TO BUY
Canadian Paperboard Sevens
JOHNSTON AND WARD
Canada Trust Bldg., 14 King St. East, Toronto
Members: Montreal Stock Exchange, Toronto Stock Exchange

Automobile and Piano Paper
MANUFACTURERS FINANCE CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - - $6,500,000

News and Views of Bond Market

MANITOBA BASES FISCAL POLICY ON RETRENCHMENT

Relief for Taxpayer Probable Through Lower Interest on Debt

From Our Own Correspondent.

WINNIPEG.—Considerable relief for the taxpayers of Manitoba, or at least for the treasury department, is in sight, by way of reduction in interest charges on the debt of Manitoba. Approximately $17,000,000 of provincial bonds will mature in 1925, and of these $13,500,000 are in the form of five year debentures bearing 6 per cent. interest. It is calculated that the provincial treasurer should be able to obtain money to refund these loans on a basis that will save at least $150,000 a year, in interest charges.

It will, however, depend on the survey of the money markets to be made by Hon. F. M. Black, whether long or short term securities will be issued. Large sums of money were spent during 1920, much of it the result of expensive undertakings begun in previous years. More than $3,500,000 was expended on the parliament buildings that year and another $750,000 on other public buildings. To take up old liabilities for which no previous provision had been made, $1,000,000 of bonds were issued and the housing scheme and the Farm Loans Association each took another million dollars. More than half a million dollars was borrowed to cover remission of soldiers' taxation, an amount which has to go down as part of the war debt of the province. Nearly $100,000 was invested in the the Lignite Utilization scheme in which the province of Manitoba and Saskatchewan and the Dominion government were all interested. Manitoba's expenditures there will not be remunerative as the project was undertaken when the province was in search of a fuel substitute for American anthracite. The best thing available, at that time, seemed to be the low grade lignites of the Souris-Estevan district. It was not realized then, that the coal fields of Alberta would develop so that they would be fully capable of taking care of the domestic needs of the West.

It is likely to be a considerable time, so long at least as the present tendency towards economy in provincial affairs continues, before the Province of Manitoba undertakes such heavy commitments as were made in 1920. The province now has a sufficient number of public buildings to meet present needs. Moreover, the housing loan scheme is not likely to be repeated, nor will there be much greater investments made in farm loans, since there is a tendency now to regard farm finance as being the business of the Dominion government, if of any government. When a willingness to spend money is again manifested, and a belief that the province can support a larger debt, further road improvements will be undertaken. Demands will also be made for adequate housing of the University of Manitoba, which at present, is badly equipped, partly in antiquated and partly in temporary structures. Distribution of electric power throughout the province, a project on which a certain amount of money has already been spent by the Manitoba Power Commission, may result in expenditures for development, but it is likely that for some time the provincial government will leave the field as far as possible to the City of Winnipeg and the private interests connected with the Winnipeg Electric Railway Co. Perhaps the greatest field for provincial development and the one offering the greatest probability of returns is the opening up of roads and trails and otherwise making accessible the mineral wealth of Northern Manitoba.

This Week's Bond Sales

HULL, QUEBEC, ISSUE

McLeod, Young, Weir & Co., have purchased a $16,000 issue of 20-year, 5½ per cent. debentures of Hull County Council at 103.57.

FABRIQUE OF ST. MARIE DE MANOIR

Versailles, Vidricaire and Boulais have purchased a bond issue of $50,000 from the Fabrique of St. Marie de Manoir at Marieville, Quebec.

DORVAL, QUE., BONDS

Versailles, Vidricaire & Boulais were awarded the issue of $7,200, 5½ per cent., serial bonds maturing from 1925 to 1945 of the town of Dorval, Que., on a bid of 100.03.

AYLMER BONDS

C. H. Burgess & Co. have purchased an issue of Aylmer bonds, $69,500, 5½ per cent., 40-year, at 101.34. The funds are to be used to carry out a local improvement program.

QUEBEC SCHOOL BONDS

MacKenzie & Co., Matthews & Co. and Credit Anglo-Francais purchased the Quebec Catholic School Commission bonds, $300,000, 5 per cent., 30 years, at 99.68. The tenders:

MacKenzie & Co., Matthews & Co., Credit Anglo-Francais	99.68
G. S. Gourdeau & Co., Municipal Debenture Corp. and L. A. Gaudry & Co.	99.643

EAST WHITBY TP.

East Whitby Tp. has sold an issue of $59,000, 5 per cent. bonds. Part of the issue, $40,000, is for 30 years and $19,000, 20 years. The price is 98.82. The tenders:

McLeod, Young, Weir & Co.	98.82
Bell, Gouinlock & Co.	98.26
Dyment, Anderson & Co.	98.21
Matthews & Co.	98.11
Macneill, Graham & Co.	98.03
Bird, Harris & Co.	98.03
Municipal Bankers' Corp.	97.953
C. H. Burgess & Co.	97.88
Wood, Gundy & Co.	97.865
MacKay & MacKay	97.71
R. A. Daly & Co.	97.57
W. C. Brent & Co.	97.061
Nesbitt, Thompson & Co.	96.73
Cochran, Hay & Co.	96.03

Goss, Forgie & Co. bid 98.10 for the 20-year and 97.65 for the 30-year bonds; McCoo, Padmore & Co. bid 98.05 for the 20-year and 97.60 for the 30-year.

BOND DEALERS WARN AGAINST RISKY STOCKS

Are Offering Gilt-edge Securities to Victory Holders

With $107,000,000 of government bonds which were placed with the Canadian investing public coming due on the first of November and only $50,000,000 in the nature of a refunding issue—and that sold on the market without being confined to former holders—there will be a large number of investors with available funds seeking new propositions in the next few weeks. The bond dealers are giving particular attention to this situation. During the national campaigns in which the Victory Loan issues were marketed the bond houses played a very important part in the selling organization, realizing at that time that the people were being initiated into something new in regard to the handling of their funds and that this education would be a factor in deciding investment habits in the future. Now the time has arrived for them to capitalize their original efforts and follow up the educational work by getting holders of the government bonds who have not arranged to change into the new issues to purchase other stable securities. They do not urge that government bonds alone should be considered but they are emphasizing that money soundly invested will earn substantial returns and are warning against placing funds which have for some years been well invested in some highly speculative enterprise where the chances of satisfactory returns are small even though there may be attractive prospects to appeal to the gambler.

The Investor's Problem

From the standpoint of the bondholder who is having his funds returned to him, however, the situation presents its problems. For weeks now there has been a strong and active bond market with the result that prices have advanced, yields have declined and, with no great volume of new financing, the lists of the dealers have been generally run down. Under the circumstances it is anticipated that the refunding operation will be accompanied by a strong market. Already the effects of the demand for securities is indicated, and with a scarcity of government and municipal bonds there has been a tendency to turn to the better industrial bonds and the high-standing industrial and public utility stocks.

The slight easing in prices noted a week ago as the result of a strengthening of the money rate in New York has passed with a decline of call funds to 2 per cent. in Wall Street. The present market is firm but trading rather dull because of short lists. There is little indication that there will be an easier trend unless the demand for money for trade and industry increases. There seems to be plenty of capital available for all needs, domestic and foreign, in the United States.

In the Canadian market there have been few new issues of late and no great number of important issues in sight, although Toronto and some other municipalities are expected to call for bids in the near future and some interest is being taken in plans for industrial financing under the favorable conditions prevailing.

SYDNEY AUDIT SHOWS FURTHER SHORTAGES

Disclosures of Cash Shortages, and Bogus Cheques Issued for Labor

From Our Own Correspondent.

SYDNEY.—The first statement in the nature of a progress report on the 20-year audit of the city books, now under way here, was brought out when George F. McComb, chief of the Price-Waterhouse experts working on the job, wac called as a witness in a libel action in which civic affairs entered to some extent. In answer to questions, Mr. McComb swore that his men have so far covered the years 1916 to 1923 and the total cash shortages for that period are about $30,000. A previous audit of one or two years had disclosed shortages aggregating about $15,000. The shortages enumerated by Mr. McComb in his testimony included amounts disbursed for labor which apparently had never been performed; for repairs which had never been made, and failure to turn in school fees and numerous other irregularities.

On cross-examination, Mr. McComb said he had found three cheques ranging from $200 to $360 drawn against school board funds and marked "labor." No payrolls or other evidence had been uncovered to show that any such labor was actually performed or been authorized. A commission was sent to take the evidence of C. P. Moore, chairman of the finance committee of the school board, ill at home. Moore said that a similar cheque for $960, drawn by the former city clerk in January, 1924, and marked "labor" had been brought to his notice by auditors. He declared that so far as he knew no such work had been done and that certainly it had never been authorized by the school board.

NEW LOANS APPROVED

Montreal Metropolitan Commission has approved of loans totalling $1,241,000 for four municipalities: Mt. Royal, $796,000; Pointe aux Trembles, $75,000; St. Pierre, $45,000, and Verdun, $325,000. With exception of Verdun, all are refunding loans.

Northern Ont. Building Bonds Being Offered

A real estate bonds offering, Northern Ontario Building, Ltd., is being made by Royal Securities Corp. and R. A. Daly & Co. The issue is $850,000, 6½ per cent. first mortgage, 15-year sinking fund gold bonds. Secondary financing has been arranged for, including $50,000, 7 per cent. second mortgage bonds, due 1929; $450,000 6 per cent. cumulative first preferred shares; $77,000, 6 per cent. cumulative second preferred shares; $500,000 common shares. The property on which the building is to be constructed is on the north-west corner of Adelaide and Bay Sts. and was acquired for $450,000 first preferred and $500,000 in common shares. The new building will be 16 stories high. Stores will take up the ground floor and offices the others.

COMMITTEE TO REVISE MUNICIPAL STATUTES

Ontario Premier Aims to Unite Duplicating Acts and Purge Laws of Inconsistencies

In appointing a committee to perform the decennial revision of Ontario's statutes, it was intimated by Premier Ferguson that his intention was to purge the present statutes of duplication and inconsistencies, and to produce a clarified municipal law for the province. Instructions have already been issued to the committee to concentrate upon the Municipal and Assessment Acts.

This attempt on the part of the Ontario government is considered to be highly important. It is well known that many of these statutes have been so often amended that the original meaning and force is in many cases extremely obscure, if not quite unintelligible. This applies to the statutes which are largely basic in the administration of our cities, towns and villages. It is the intention of the premier that a consolidation of the Municipal and Assessment Acts be made in order to facilitate their interpretation. It is further urged that legislation once passed should be allowed sufficient time to prove its worth, or the reverse, before an amendment is made.

The members of the committee appointed to perform the decennial revision are:

From the High Court Bench, Mr. Justice Ferguson, Mr. Justice Kelly, Mr. Justice Smith and Mr. Justice Middleton; from the County Court Bench, Judge Wallace, of Oxford County, representative of the viewpoint of the municipalities; J. W. McKay, of St. Thomas, editor of the Municipal World.

OSLER ESTATE NEAR $4,000,000 TOTAL

Well Diversified List of Good Stocks and Bonds Make up the Bulk

The estate of Sir Edmund Osler is valued at $3.990,396. With the exception of $5,000 real estate in the West, the whole is located in Ontario. The bulk is personal property. The important items follow:—

	Residence, "Craighleigh"	$100,000
	Osler-Hammond office	76,000
	Cash (Dom. Bank)	111,000
	Stocks and bonds—	
1,500	Dominion Bank	265.600
200	Imperial Bank	34.200
114	Montreal Bank	27.132
100	Toronto Bank	17,500
2,000	C.P.R.	298,000
...	Toronto Ferry	2,400
335	Confederation Life	10,386
400	Consumers' Gas	67,600
616	Imperial Oil	64.064
2,500	International Pete	49,062
600	Mackay Co.	69.600
4,000	North Star pref.	13.600
1,600	North Star com.	1.120
...	Ontario Prov. bonds	11,770
210	R. Simpson Co.	19.740
200	Steel of Canada (pref.)	29,800
300	Steel of Canada (com.)	22.200
268	Tor. Gen. Trusts	55,208
1,100	Winnipeg West. Loan Co.	60,500
2,600	Osler & Nanton Trust Co.	182,000
...	Victory Bonds	693.528
...	Toronto Bonds (3½'s)	155.028
...	Toronto Bonds (4's)	10,904
...	Household goods, etc.	25,000

BOND HOUSE BRANCHING OUT

The investment house of McLeod, Young, Weir & Company, Ltd., announces the opening of new branch offices in the cities of Ottawa, Hamilton and London, Ontario.

The Ottawa office is located in the Booth Bldg., and will be managed by Lieut.-Col. P. B. Taylor and E. P. Taylor.

The Hamilton office is located in the Spectator Bldg., and will be managed by P. B. Onderdonk.

The London office is in the Dominion Savings Bldg. This office will be managed by R. A. Coates and A. E. Coates, and the business will be conducted under the name of Coates & Coates.

THE CONTROLLING FACTOR OF STOCK PRICE MOVEMENTS

Pig Iron Production Has Bearing on Security Quotations

At the recent Cleveland meeting of the Investment Bankers of America, a remarkable address was made by Col. Leonard P. Ayres of the Cleveland Trust Co. The subject was "The Controlling Factor of Security Price Movements."

Briefly stated, Col. Ayres' theory runs this way: His investigations have established that 60 per cent. of the country's blast furnaces in blast is normal and that charting the curve of blast furnaces in blast provides the best curve of business. When the percentage is above normal, that means prosperity; when it gets below, we have depression. Col. Ayres used that curve in anticipating the movement of security prices thus: When the blast furnace (or business) curve crosses normal (or 60 per cent.) going down, that is the time to sell securities. When it crosses normal going up, buy.

Let's see how it actually worked out. "In 1892 business was mildly prosperous," quoting from Ayres' address. "The blast furnaces were a little above sixty. They ran along until they got into 1893, and crossed below normal. Sure enough, that month was the lowest month there was for the stock prices, and it was the lowest month for the bond prices." Then to test the idea with business on the rise, take the situation about the middle of the year 1895 and the blast furnace line tells you to sell at the very top of the stock and bond market. Quoting again:

"We found that we did not have a perfect record, but we had a rather extraordinary record, and where we had some exceptions we found there were very good reasons for those exceptions. Business crosses normal going down, buy bonds and stocks. When the furnace line crosses sixty going up, sell them. That was the time to sell. We have a little period of prosperity, and it crosses normal going down. Buy them. Buy them at the bottom. And it stays down for two years and comes back to the sixty per cent. line and crosses on the way up, and there is the peak of the bull market, and within a month of the peak of the bond market. We are a little bit shy on that one. And then there is about two years of prosperity, and it crosses on the way down. That was the time to buy. Well, then, we didn't have very much of a depression. That was in 1900. A depression was expected by many financial observers, as one may find by reading the old files, but there was another great wave of railroad building. The demand for iron was great and sustained and the depression was short, but, even so, a line run up from there takes in a large part of the bull market for stocks, and nearly all of the lift in the rising prices for bonds. It was a long prosperity, and it dipped below in the panic of 1903, and, of course, coinciding with the panic date, that clearly was the time to buy once more. It was a rather short period of depression. That was the time to sell out our bonds and practically

(Continued on page 16)

UNLISTED BONDS

(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	97	..
Alabama	80¾	81¼
Algoma Steel 5% 1962	34	35
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	97¼	97½
Brand.-Henderson 6% 1939	90¼	..
Burns, P. & Co. 6½% 1943	98½	99½
Can. National Rly. 5% 1954	100¾	101¼
Calgary Brewing 5% 1942	78	..
Can. Steamship Lines 7% 1942	95½	96½
Can. Light & Power 5% 1949	..	80½
Can. Pacific Rly. 5% 1934	99¼	99¾
Can. Steel Foundries 6% 1936	98¾	..
Dom. Iron 5% 1939	62	63
Dom. Power 5% 1932	95	96
Dom. Textile 6% 1949	103	..
East Koot. Power 7% 1942	100¾	102
Fraser Co. 8% 1941	106	..
Frontenac Brewery 6% 1951	86	88
G.T.P. Sup. 4% 1955	74½	..
Holt, Renfrew 5% 1937	..	96
H. Smith Paper 7% 1941	91½	92½
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	97½	98
Laurentian Power 6% 1936	96½	..
Maple Leaf Milling 6½% 1943	101½	..
Maisonneuve 5% 1954	99½	..
Man. Power 7% 1941	99¼	100
Mattagami 7% 1949	25	..
Montreal Pub. Ser. 5% 1942	90½	..
Montreal Steel Works 6% 1940	100	..
Province of Ontario 5% 1948	100½	101½
Nor. Ont. Power 6% 1931	94½	96
Ontario Pulp 6% 1931	106	..
Price Bros., 6% 1943	98½	99¼
Shaw. Cotton 6% 1949	..	78
Shawinigan 5½% 1950	..	102½
Shawinigan 5% 1934	..	101
South Canada Power 6% 1948	101	101½
Spanish River 8% 1941	107½	107¾
St. Maurice Power 6½% 1953	106	106½
Windsor Hotel 6½% 1943	101	..
West. Koot. Power 6% 1943	101½	..
West. Power 5% 1949	90¾	..
West. Power 7% 1926 debs.	99	..
Quebec Power 6% 1953	99½	99¾
N.S. Steel 6% debs	49½	51
Electrical Dev. 5% 1933	98¾	..
St. Law. Sugar 6% 1932	89	..

BOND MOVEMENTS OF THE WEEK

WEEK ENDING OCTOBER 21

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	7.25	90	79	83½	75	78	—	77½	76½
Bell Telephone	5	1925	5.00	101	97¾	100½	98¾	99¾	99¾	100	99¾
Canada Cement	6	1929	5.30	103½	100	103½	100	103	—	103	102½
Canada Bread	6	1941	5.95	100	96	102	98¾	99½	—	100½	100
Can. Cottons	5	1940	6.02	90	85¾	91	88¾	89¾	—	89¾	—
Cedar Rapids	5	1953	5.12	98½	93	99¾	95	—	98½	98½	—
Dominion Iron	5	1929	7.43	94	84¾	92½	85	91	—	90	—
Dominion Glass	6	1933	5.78	105	101¾	101¾	101½	101½	—	101½	—
Montreal Power	4½	1932	5.09	95	—	97¾	92	97½	95½	96½	—
Montreal Trams	5	1941	5.43	92¾	87½	94¾	93¾	95	—	94½	94
Northern Electric	5	1939	5.68	—	—	93¾	93¾	—	93½	93¾	—
Penmans	5	1926	5.53	97	93¾	99	96	—	98	99	—
Quebec Rly	5	1939	5.99	83½	68	90¼	80	90¼	90	90½	—
Sao Paulo	5	1929	8.08	90¼	86	90	86	—	86½	87½	86
Sherwin-Williams	6	1941	5.90	102½	101	102¼	101	—	101¾	101	—
Steel of Canada	6	1940	5.73	102½	99	105	100½	105	103	102¾	—
Wayagamack	6	1951	7.80	86¾	75	80¾	74½	—	80½	79¾	77½
War Loan	5	1925	4.10	100.95	99.10	101.15	100.15	100.95	100.85	100.90	100.40
Do.	5	1931	4.70	101.80	99.80	102.25	100.15	102.00	101.90	102.25	101.90
Do.	5	1937	4.60	103.30	100.75	104.00	102.10	103.90	103.80	103.95	103.60
Victory Loan	5½	1924	5.50	101.65	99.80	100.95	99.90	100.15	100.00	100.05	99.90
Do.	5½	1927	4.51	103.50	101.50	103.50	102.15	103.00	102.90	103.20	102.75
Do.	5½	1933	4.61	106.55	104.00	106.70	104.30	106.50	106.40	106.70	106.30
Do.	5½	1934	5.01	103.90	101.30	104.90	103.00	103.95	103.80	104.30	103.90
Do.	5½	1937	4.60	108.45	106.10	109.00	106.30	108.70	108.60	108.90	108.50
Do. Renewal	5½	1927	4.82	102.85	100.00	103.67	101.00	102.20	102.10	101.95	101.80
Do. "	5½	1932	4.98	103.20	98.15	104.15	101.35	103.50	103.40	103.55	103.30
Do. Refund	5	1928	4.79	99.90	98.00	101.10	99.40	100.90	100.80	100.90	100.75
Do. "	5	1943	4.35	99.00	97.90	102.85	99.90	102.10	101.95	102.40	101.95

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ACADIA APARTMENTS Limited,
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Price: 98.50 and interest
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Ask us for particulars.
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Dear Sirs:
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Sound Values —for every need

THE NATIONAL CITY COMPANY CANADA

From our current offering list investors can readily make a diversified selection of sound securities to suit any investment requirement.

Following are a few of our recommendations:—

Dominion of Canada
All Victory, War Loan and Refunding issues
Price at Market

Government of the Argentine
6% External Bonds due 1957
Price to yield 6.45%

Kingdom of Norway
6% External Bonds due 1944
Price to yield 6.15%

Montreal Metropolitan Commission
5% Bonds due 1949 or 1951
Price to yield 5%

Canadian Pacific Railway
5% Bonds due 1934
Price to yield over 5.00%

Duke-Price Power Company
6% Bonds due 1949
Price to yield 6.04%

Price Brothers & Company
6% Bonds due 1943
Price to yield 6.04%

The above bonds are offered subject to prior sale and change in price. Complete information regarding any issue will be furnished upon request.

The National City Company
Limited
Head Office—112 St. James Street, Montreal
10 King Street East TORONTO | 14 Central Chambers OTTAWA | 71 St. Peter St QUEBEC

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is a part of the service we render investors. Our selections include those securities that will ensure for our customers the utmost return with undoubted safety of principal and easy marketability.

We will gladly render this service for you.

Municipal Bankers Corporation
LIMITED
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Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
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SUBSIDY ON COAL WILL NOT AFFECT TRADE THIS YEAR

(Continued from page 1)

Ontario and Quebec. It was stipulated that the subsidy would apply only on shipments to points west of Riviere du Loup. The coal was to be brought in by vessel to St. Lawrence ports and the subsidy was to apply from the point of transhipment to the destination. For instance, on a cargo from Sydney, Nova Scotia, to Brockville, if brought by boat from Sydney to Montreal and then shipped by rail from Montreal to Brockville, the coal would be entitled to one-fifth of a cent. per ton per mile from Montreal to Brockville. The maximum amount of the subsidy is to be 50 cents per ton, and the subsidy is only to be given where Canadian coal competes with American coal.

One provision is that the subsidy is only to apply if the railways agree to reduce their present freight rates on coal. It is understood that this has been agreed to by the rail lines.

One of the most important producers affected is the British Empire Steel Corporation, which has been endeavoring to develop a market for Nova Scotia coal in Quebec and Ontario.

OTTAWA AND HULL

The first annual report and financial statement of the Ottawa and Hull Power Company, Ltd., showed that for the thirteen months ending Aug. 31, 1924, the net profit of the company's working was $139,900, which was appropriated as follows: Dividends on preferred stock, $105,000; added to surplus account but subject to income tax for the period, $34,900.

Municipal and Provincial Finance

LINKING SMITH AND JARVIS IN THE BOND DEALS

Securities Cashed in Stratford Traced Back to Broker

At the opening session of the trial of Hon. Peter Smith, former Ontario treasurer; Aemilius Jarvis, Sr.; Aemilius Jarvis, Jr., and H. G. Pepall, charged with conspiracy to defraud the province, W. N. Tilley, for the crown, outlined the details of the arrangements by which Aemilius Jarvis, Sr., and A. E. Pepall went to England early in 1920 to purchase succession duty-free bonds for the government, and told of how they took up £1,650,000 worth of these securities at prices less than the 80, 90 and 90 authorized as the maximum prices by the government.

The profit on the transaction, he said, was in the neighborhood of £132,000. It had been found that £100,000 of that profit had been cabled to Brown Bros., a brokerage firm in New York, and that subsequently another £15,000 had been added to this New York credit, all of which was placed to the personal credit of Aemilius Jarvis, Sr. Bonds to the extent of $368,000 were then sent to Brown Brothers, accompanied by a draft in favor of the Jarvis firm for that amount, which in due time resulted in the transfer of the $368,000 to Toronto. The bonds were held in New York, subject to the order of A. H. Pepall, and subsequently they were delivered to him at his Toronto address.

"We shall show," said Mr. Tilley, "that the coupons on those bonds were cashed in part, and a large part, by Hon. Peter Smith. We traced the coupons into his bank account, mainly at Stratford."

Evidence to indicate the close association between Smith and Aemilius Jarvis was introduced to the effect that, in connection with the plan to buy bonds in England, letters written on the stationery of the treasury department had been dictated by the financier, and signed by Mr. Smith.

A. E. Nash, chartered accountant, produced the results of his investigation of Peter Smith's bank account at Stratford, and swore that the serial numbers on bond coupons cashed to Mr. Smith's credit were identical with the numbers on bonds included in the list of securities received by A. H. Pepall from Aemilius Jarvis and Co. through a New York brokerage firm, following the redemption of some $6,753,000 worth of Ontario succession duty-free bonds held in Great Britain.

According to Mr. Nash's evidence, bond coupons to the total value of $6,535 were cashed to Mr. Smith's credit during the years 1920 and 1921. It was stated that the amount cashed during the first of the years named represented interest on bonds to the face value of $184,306, or a market value of $146,326. The face value of the securities sent to Brown Bros., brokers, New York, to the order of A. H. Pepall, was put at $423,188. Particulars follow:

Particulars of bonds shipped by Brown Bros., New York, to A. H. Pepall.

Security—	Par Value	Date
G.T.P. 3 p.c. 1962	$90,518.76 (£ 18,600)	1920, July 5; 1921, Jan. 3
Sask'che'an dr'ge 5 p.c. 1949	$73,100.00	1920, J'ly 31; 1921, Feb. 5
North Bay 6% 1920-40	$51,072.81	
Kenora 6% 1920-30	$17,900.00	
Toronto Harbor C. 4½ p.c. 1953	$ 6,000.00	
York Twp. 5½% 1922-34	$ 6,298.13	
York Twp. 8% 1922-28	$76,419.59	
St. Boniface 5%, 1943	$40,000.00	1920, Nov. 1

Particulars of proceeds of coupons deposited by Peter Smith.
St. Boniface 5 p.c.

	Coupons included in deposit without exchange	Representing coupons on
G.T.P. 3% 1962	$ 707.13	$ 9,700
	$ 707.13	.....
Saskatchewan dr'ge 5 p.c. 1949	$1,827.50	$73,100
	$1,927.50	$73,100
1943	$ 862.50	$34,500

Telephone Line Built to Lake St. John Mill

From Our Own Correspondent.

MONTREAL. — The Quebec and Saguenay Telephone Company has just completed a copper circuit to St. Joseph d'Alma, near Lake St. John. This town is the site of the new newsprint mill being erected by Price Bros. and Company. As the Quebec and Saguenay connects with the Bell Telephone lines, this gives satisfactory long distance service between Montreal and Toronto and other cities, with this far-off community.

Toronto Must Bow to Hydro in Rates Matter

Toronto has been informed by its chief counsel that Toronto Hydro must conform with the order of Hydro Electric Commission and put the new and higher lighting schedule into force. This is in keeping with the contention of THE FINANCIAL POST that the commission is supreme in dictating to all municipalities just what they shall charge.

Municipal Notes

GALT LIVES WITHIN INCOME

The various spending bodies of the city council recently submitted statements for the first three-quarters of the year. In each case the committee had been living within its allotment and in some cases a very considerable surplus was reported. The contingent account which was set aside to meet any emergencies has a balance of nearly $7,000.

CITY MANAGER PLAN URGED

At a conference last week between the Associated Property Owners and the city council of Vancouver, the pros and cons of the adoption of the city manager plan of civic government were carefully discussed. The city council promised to give the matter serious consideration. Among the other matters of importance which came up were the building of a new city hall and the holding up of all money by-laws with the exception of those for road construction until the spring.

WINDSOR MAYOR URGES ECONOMY

The suggestion that the city of Windsor should issue debentures for an amount exceeding $1,000,000 to be used in the building of a new city hall, the construction of a subway between Walkerville and Ford, and for a park site adjoining Walkerville, met with considerable opposition under the leadership of Mayor Mitchell on the grounds of economy. The mayor urged that when the tax burden was already so heavy, additions should be limited to strict necessity.

OSHAWA TO RAISE ASSESSMENT

On the ground that municipal credit is, to some extent at least, based on assessment, the finance committee of the Oshawa council is recommending a 7 per cent. increase in the assessment of the city. The Oshawa Reformer considers that the suggested increase will be a good thing. The statement is made that the total funded debt should not exceed one-fourth of the total assessment, so that Oshawa with a funded debt of $3,000,000, should, to measure up to the views taken by the financial houses, have an assessment of $12,000,000. The assessment made by the assessor at the end of last year, including the exempted property, amounted to $10,000,000. The basis of assessment, however, is said to be in the neighborhood of only 40 per cent. of the actual values. But as this may not be understood by the purchasers of the city's bonds an increase in the assessment is regarded as advisable. It is pointed out further that Oshawa will next year be faced with additional debt charges which, added to the higher operating and maintenance costs, would force up the tax rate several mills if the assessment was left at the present basis.

Tenders and By-laws

(Tenders Wanted)

Oct. 27, Village of St. Joseph, Que.—$11,000, 5½ per cent., 1-20 year bonds for school commission. Horace Saint-Germain, secretary-treasurer, St. Hyacinthe, Que.

Oct. 28, Westmount. — $200,000, 5% serial bonds, 1924 to 1964. Arthur F. Bell, sec.-treas.

Nov. 1, School Municipality of Decarie, Que.—$9,200, 6 per cent., 1-10 yr. debentures of school commission of Decarie. Henri Berthiame, secretary-treasurer, Ferme Neuve, Que.

Nov. 3, Preston. — $101,816, 5½ per cent., 20-instalment local improvement debentures. Geo. Wurster, town clerk. (See announcement on page 16).

Nov. 3, Lachute. — $60,000, 5½ per cent., 30-year bonds. J. A. Rice, Sec.-Treas.

Nov. 3, Village of Amos, Que.—$35,000, 5½ per cent., 10-year bonds, Benoit Trudel, Sec.-Treas.

Nov. 4, St. Augustine.—$20,000, 5½ per cent., school bonds, redeemable 1945. J. O. East, Sec.-Treas.

Giffard, Que.—$55,000, 5½ per cent., 10-year bonds; $5,000, 5½ per cent. serial bonds. Jos. Drouin, Sec.-Treas.

Oct. 27, Donnacona, Que.—$80,000, 5½ per cent., school bonds, redeemable in series from 1924 to 1934. J. E. Jalbert, sec.-treas.

Nov. 6, Richmond, Ont.—$25,000, 5 per cent., 30-instalment school debentures. J. Hemphill, clerk.

Nov. 1, Ferme Neuve, Que.—$9,200, 6 per cent., 15-year serial bonds. H. Berthiaume, sec.-treas.

Sherbrooke, P.Q.—Four bylaws calling for a bond issue of $542,000 were given approval by property owners. Five by-laws were submitted by the city council, but that calling for the sum of $65,000 for equipment in connection with the new fire station was turned down. The main objection to this was the item of $29,000 for a new fire-alarm system which was considered too high a figure by the ratepayers.

The by-laws approved were $80,000 for the electric department, $77,000 for sewers and $385,000 for paving.

BRITISH COLUMBIA

August 30, 1924. — Cranbrook, water works loan debenture, $8,000, payable in twenty years with interest at 6 per cent.; August 30. — Cranbrook, water works loan debenture, $10,000, payable in twenty years with interest at 6 per cent.; Sept. 13.—Trail, street improvement debenture, $10,000, payable in twenty years with interest at 6 per cent.; Oct. 13.—District of North Vancouver, school loan, $6,500, payable in twenty years with interest at 5½ per cent.; Oct. 13.—North Vancouver, Centre Road South loan, $21,500, payable in thirty years with interest at 5½ per cent.; Oct. 13.—North Vancouver, Wellington drive trunk road loan, $16,600, payable in thirty years with interest at 5½ per cent.

SHOULD TORONTO UNDERTAKE OTHER TRADE VENTURES?

Research Bureau Questions Wisdom of Undertaking Further Enterprises

The purport of an open letter sent this week to the citizens and taxpayers of Toronto, by the Bureau of Municipal Research under the direction of Dr. Horace L. Brittain, is an enquiry into the feasibility and advisability of the city taking over the provision of gasoline, milk and coal, as has been suggested.

The bureau first raises the question as to whether or not the city's past experience in operating the abattoir and similar ventures have been of such a nature as to justify the city entering upon this competitive undertaking, and points out the difference between competitive and non-competitive enterprises of this nature. The letter then proceeds:

The bureau would like also to raise the question as to whether citizens have considered the effect on them of a further addition to the number of citizens who are employed by the city. Are the citizens quite sure that an increase in the number of civic employees is desirable either in the interests of the citizens as a whole or of the greater number of the city's employees themselves? The so-called city hall vote may be entirely mythical, but it would be difficult to prove that all candidates in municipal elections believe it to be negligible.

Do the citizens know how much is added to their tax burdens by the exemption or partial exemption from taxation of municipally owned utilities? Do they know what the surpluses or deficits on public utilities would be if provision for taxes were made as in the case of similar private undertakings? Do all citizens give full weight to the value, from the standpoint of efficient operation, of requiring all public utilities to make full provisions for all elements of cost, including taxes?

When, however, the city goes into a business in competition with taxpayers, it is not merely a matter of making it self-sustaining or including taxes in the cost. Whenever a municipality enters the competitive field, it tends to narrow the basis of tax support, either by driving private enterprises out of business or diminishing their taxpaying ability. If the policy be carried to its logical conclusion, it not only may but will seriously diminish the number of citizens who pay taxes and seriously increase the burdens of those who remain on the tax rolls. If the businesses of wholesaling or retailing gasoline, of distributing milk or other food products, of buying and selling coal, of building and selling houses are to pass into municipal hands, where is the line to be drawn? Are not cheap automobiles as important as cheap gas? Is good and cheap meat not important? Are not heavy shoes and warm clothing at low prices a necessity in our climate, at least as much so as good and cheap gasoline? In fine would it not be difficult to discover anything in the line of food, clothing and shelter, for the municipal sale of which some arguments could not be found?

Is there any liklihood that, if legislative sanction is asked for the city's going into the gasoline business and the milk business, the request will be granted? Was there ever any expectation that it would be granted?

Is this not a case where the remedy might be worse than the disease?

(Signed) J. Macdonald, president.
(Signed) Horace L. Brittain, managing director.

REDUCING CIVIC DEBT

According to information given out recently by the city treasurer of St. Catharines, one-fourth of the total debenture debt of the city will be retired within four years. Debentures to the amount of $284,000 are being retired this year, and next year $282,288 will be taken off the city debt. This is more than a half million within two years. In 1926 more than one-tenth of the present debt will be wiped out, the amount being given as $633,337 for that year alone.

Public Utility Earnings

Alabama Power Company

	Sept.1924	Sept.1923	Inc.
Gross earn.	$ 752,973	$ 721,677	$ 31,296
Op. exp. & taxes	367,775	339,137	28,638
Net earn.	$ 385,198	$ 382,540	$ 2,658
Twelve Mos. Ending Sept. 30			
Gross earn.	$8,844,776	$7,295,912	$1,548,864
Oper. exp. & taxes	4,712,139	4,006,136	706,003
Net earn.	$4,132,637	$3,289,776	$ 842,861

CAPE BRETON ELECTRIC

Earnings of the Cape Breton Electric Company, Ltd., for the month of August, 1924, as against the same period last year, follows:—

	Aug. 1924	Aug. 1923
Gross Earnings	$49,759.39	$ 56,753.66
Oper. Exp. & Taxes	38,734.37	48,921.52
Net earnings	$11,025.02	$ 7,832.14
Balance for Res., Retirements & Divids. (after int. charges)	$ 6,270.61	$ 2,190.68
FOR 12 MONTHS ENDING	Aug. 31 1924	Aug. 31 1923
Gross Earn.	$699,216.66	$685,064.29
Oper. Exp. & Taxes	549,060.17	599,589.35
Net earnings	$150,156.49	$ 85,474.94
Interest Charges	68,239.41	67,609.95
Bal. for Res., Retirements & Divids.	$ 81,917.08	$ 17,864.99

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Place	Date	Purpose	Sold To—	Rate	Maturity	Amount	Price	Yield
			Municipal					
East Whitby Twp.	Oct. 18	School	McLeod, Young, Weir & Co.	5%	1944-1954	$59,000	98.82	....
Aylmer, Que.	Oct. 13	Imp.	C. H. Burgess & Co.	5½%	1964	69,500	101.34	5.41
Quebec Catholic Schools			McKenzie & Kingman, Matthews & Co., and Credit Anglo-Francais	5%	1954	300,000	99.68	5.02
Dorval, Que.	Oct. 15	......	Versailles, Vindricaire, Boulais	5½%	1925-45	7,400	100.03	....
Hull County, Que.	Oct. 15	......	McLeod, Young, Weir & Co.	5½%	1944	16,000	103.57	5.20
			Corporation					
Sisters of Charity of the Good Shepherd			Credit Anglo-Francais	5½%	1944	175,000	100.00	5.50
Northern Ontario Building			Royal Securities Corp. and R. A. Daly & Co.	6½%	1939	850,000	98.50	6.65
Fabrique of St. Marie de Manoir			Versailles, Vidricaire, Boulais	.....	....	50,000	....	....

Our Trading Department

At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

The following, amongst others, are securities for which our market facilities will be found most dependable: Quebec Power 6's 1953, Mont. Public Service 5's 1942, Mont. Tram-Power 6's 1929, Mont. Tramways 5's 1941 and Belgo Can. Paper 6's 1943.

Enquiries invited

RENE-T. LECLERC
Incorporated
Montreal— 160, St. James St.
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E148

GUARANTEED
First Mortgage Bond
7%
plus generous Bonus of Common Stock

WE OFFER a short-term First Mortgage Bond which gives a very attractive yield and is at the same time amply secured. Full particulars will be gladly furnished on request. Write to-day.

TEAR OUT
SEND ME CIRCULAR A-2
Name ....
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SHAWINIGAN RIGHTS EXPIRE

The privilege granted to Shawinigan shareholders to purchase relative proportion of new shares at par, also includes optional conversion of fractional "rights" into cash, but it should be specially noted that these privileges will expire at the end of October.

It is imperative, therefore, that shareholders either take up their allotment of new shares; or that the fractional share warrants, issued by the company, be converted into cash through the Montreal Stock Exchange. "Rights" or one-tenth shares are quoted at $3 to $3¼.

We should be glad to make the necessary adjustment of fractional shares, either by purchase or sale.

Dickinson & Walbank
Members Montreal Stock Exchange.
152 St. James Street, Montreal.
Main 4090.
T. Kelly Dickinson, J. Y. K. Walbank,
W. McLea Walbank.

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IS A
GOOD COMPANY
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1869 Mutual in Theory and Practice 1924

A Life Company that is genuinely MUTUAL exists for one sole purpose—to reach as many homes as possible with its protective policies, furnishing them at the lowest cost. To this end all profits arising from economical management, low mortality, high interest and other sources are distributed IN THEIR ENTIRETY among the members and are used to lower premiums or increase the amount of insurance, or may be withdrawn in cash. Maximum protection at minimum cost is the exclusive aim and object of a truly mutual company. The result of this intensive effort in our own case is that we have given protection at actual cost to the company, and members of the mutual are found in every part of the Dominion —our organization is mutual both in theory and practice.

MUTUAL LIFE COMPANY OF CANADA
Funds Distributed or Held For Distribution, $106,492,134. WATERLOO ONTARIO. Business in Force: $290,000,000.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

"He gives twice who gives quickly"
This Company's reputation for prompt payment of claims means that policyholders have the use of their cash indemnity at the time it is needed most. Our promptness has saved many claimants from serious losses which would have been occasioned by delay.
For more than seventy years the Western Assurance Company has been identified with the growth and progress of Canada.
The Western Assurance Company of Toronto
Established 1851

An Assured Income
There are few investments so secure and profitable as money employed in maintaining a Great-West Life Policy. Further, there is the insurance protection that is provided by no other investment. It means a guaranteed income that is not affected by trade reverses; it is the finest security available to the home guardian.
Protection with Profit
The Great-West Life Assurance Company
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Flexible Life Insurance
People whose circumstances are subject to change—the salaried and business classes—"want flexible life insurance."
They *need* all the protection they can secure for the amount they can afford to invest—which means the Whole Life plan. Then as salary or business conditions improve they *want* to be able to complete payments at a definite time either as a 20 Payment Life or an Endowment. It can be done through our Jubilee Policy.
When you desire to convert your policy any time from the third to the fifteenth year, simply pay the new premium: no new medical examinations, no re-dating of Policy, no paying difference in back premiums with interest.
Example: Age 35, $10,000. Jubilee Policy—changed to 20 Payment Life at end of 5 years
Premium—Whole Life rate, $214.00 for 5 years $1070.00
Rate when made 20 Pay Life, $349.80 for 15 years 5247.00
Total premiums for 20 years 6317.00
Cash Value—guaranteed 5760.00
Net cost $ 557.00
Protection of $10,000—$2.79 per thousand per year subject to reduction by annual dividends.
Our representatives stand ready to serve you on request.
London Life Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICES - LONDON, CANADA

Insurance for Buyer and Seller

ADJUSTMENT OF FRATERNALS NOW COMPLETED HERE

Uniform Insurance Conditions Discussed at Superintendents' Conference

The readjustment of Ontario fraternal insurance societies to a solvent basis has been completed, according to F. Sanderson, consulting actuary of the Department of Insurance, in his report presented to the conference of Superintendents of Insurance, held in Toronto this week. He says:

It is gratifying to be able to report that so far as Ontario is concerned the advanced piece of legislation adopted by the Ontario Legislature in 1921 affecting fraternal societies has had a most salutary efect in disposing of the large amount of actuarial deficiencies in certain provincial fraternal societies that had not (prior to 1920) made final readjustments in rates or benefits. How effective this legislation has been may be seen from the fact that within the past year actuarial deficiencies totalling about $27,000,000 in five societies have been wiped out by readjustments in rates. This is an accomplishment that must be gratifying alike to government officials and to those officers who have direction of the affairs of the societies.

Those familiar with the inside workings of the different orders, know too well all the difficulties, obstructions, hard feeling and prejudice that had to be overcome to make possible this consummation.

Position Much Changed

It will doubtless be of special interest to report at this time that on the 7th day of this month the last of the Ontario fraternal societies requiring readjustment/ has crossed the solvency line, so that the task undertaken by the Ontario Insurance Department four years ago, is now what the French call "un fait accompli."

It is not too much to say that so far as fraternal societies are concerned, the amendments to the Dominion Insurance Act made in the year 1919, and the before-mentioned Ontario legislation of the year 1921, have completely transformed the financial position of fraternal societies in Canada, and have largely dissipated the fog and doubt and suspicion that so long hung over these orders.

However, Dr. Sanderson points out that this change applies only to the life insurance departments, and that no attempt has yet been made to deal with the numerous sick and funeral benefit funds. More reliable data on sickness rates is desired before legislative action on the latter.

Some anxiety has been expressed at the reports of the formation of assessment insurance clubs without any adequate provision to meet the increasing volume of claims in later years, especially in the Western provinces. On account of this, action by other provinces along the lines of those taken by the Ontario government is advocated.

Widespread interest has been evidenced in the deliberations of the conference. Representatives of the insurance companies and other interested bodies are in attendance as well as the provincial superintendents of insurance and fire marshals. Standing out in the deliberations is the legislation to secure uniform conditions in respect of all classes of insurance in each province. The jurisdiction of the Dominion and provincial authorities in insurance is also a live topic.

Many at Banquet

Hon. W. E. Monk, commissioner of insurance for Massachusetts, spoke on Tuesday, as a guest of the conference, on compulsory automobile insurance, and indicated some of the difficulties in setting up such a system. A complimentary banquet, given at the King Edward Hotel, to the superintendents by the insurance offices, was attended by several hundred men. Among the speakers were T. L. Morrisey, Montreal; J. P. Dougherty, superintendent of insurance for British Columbia; Hon. W. E. Monk, Hon. W. F. Nickle, attorney-general of Ontario; Mark Irish, E. E. Reid, general manager of the London Life Insurance Company; Col. A. F. Hatch, president of Canadian Manufacturers' Association; J. P. Belanger, superintendent of insurance for Quebec; Charles Heath, superintendent of insurance for Manitoba; Cecil Bethume, Ottawa, and John A. Tory, Toronto. Hon. Jos. E. Thompson, speaker of the Ontario legislature, acted as toastmaster.

Institute Holds First Meeting of the Season

The first meeting of the Insurance Institute of Toronto for the 1924-25 season was held last week. The insurance history of the past 25 years was reviewed by the President, W. A. P. Wood. He showed how the net cash premiums on fire insurance in Canada had increased from seven to fifty million dollars, or 583 per cent.; while net losses paid had advanced from four to thirty-one millions, or an increase of 565.9 per cent. Gross amount of life insurance effected had mounted from $54,764,673 in 1898 to $561,182,427 in 1923, or an increase of 924.7 per cent. Casualty insurance, however, had showed the most notable jump, net premiums received increasing 2,943 per cent. in the twenty-five years.

Walter D. McCombe, who has been in the group life department of the Equitable Life Assurance Society of New York, has accepted a position with the Sun Life Assurance Co., as group representative in Montreal.

Harry Hoyland, for the past five years on the Montreal staff of the Equitable Life Assurance Society, left last week for Detroit. Mr. Hoyland will work in the office of the same company there.

Ontario Fire Agents Elect 1925 Officers

The officers of the Ontario Fire and Casualty Agents' Association elected for the year 1924-25, at the convention in Toronto last week, are: Cecil Bethume, Ottawa, president; vice-presidents, A. W. Bell, Midland; George Geddes, St. Thomas; C. H. Denton, Tillsonburg; W. J. Burns, Windsor; John T. Truman, Hamilton; C. A. Boehm, Waterloo, and W. C. Lillie, Fort William; secretary-treasurer, Charles Priestman. The latter was specially commended for his success in developing the interest in the association.

SEES GREAT CHANGES IN INSURANCE FIELD

J. K. Macdonald, Founder of Confederation Life, is Still Active in Its Affairs

The eighty-seventh birthday of J. K. Macdonald, a pioneer of the life insurance business in Canada, was marked last week by a shower of remembrances from all parts of the country and abroad. Since the Confederation Life Association was formed fifty-three years ago, its development has been closely allied with the activities of Mr. Macdonald. He was the company's first general manager, and continued in that position until 1914, except for a brief period when he was forced to relinquish the actual management to ward off a threatened breakdown in health four months after the company started in business. The impaired health did not prove fatal, and, to-day, a half a century later, he superintends the operation of the company as president, although the actual management has passed to his son, C. S. Macdonald.

The intervening period has witnessed many changes in the life insurance business as well as the whole country. In 1871 there were not more than two or three life insurance companies, whereas to-day there are twenty-six Canadian companies operating under Dominion licenses, fifteen British companies and sixteen United States companies. In addition, there are a number of companies which operate under provincial licenses.

In 1875, four years after the Confederation Life was started, the insurance in force in Canada totalled $15,074,258, divided as follows: $5,077,601, by Canadian companies; $1,689,833, by British companies, and $8,306,824 by foreign companies. At the close of 1923 the total in force had increased enormously to $543,746,972, in the case of Dominion licensed companies alone. Of this, $348,953,767 was issued by Canadian companies, $19,347,551 by British companies, and $175,445,654 by foreign companies. Similarly great changes have taken place in the assets of the companies, the yearly incomes and amounts paid out to claimants. Similarly the types of policies have developed rapidly to meet the changing needs of the time.

Start Fire Reinsurance Company at Montreal

MONTREAL. — Application has been presented to the Lieutenant-Governor-in-Council of Quebec to obtain letters patent for a new insurance company to be known as the Canadian Union Insurance Company, with power to make insurance and reinsurance contracts against fire, and inland marine insurance.

The head office is to be in Montreal, and the capital stock will be first of $500,000, with power to increase to $1,000,000, subject to approval of the lieutenant-governor.

The petitioners are Dominique de Battemburg, financier; Jules Thibeaudeau, insurance broker; Thomas Albert Grant, broker; J. L. Desjardins, notary, all of Montreal.

SUGGESTIONS MADE FOR COMPULSORY AUTO INSURANCE

Often Those Injured Cannot Collect Proper Damages

From Our Own Correspondent.

MONTREAL.—In view of the ever-increasing popularity of the motor vehicle and the subsequent heavy toll in human lives from street mishaps, local insurance men are advocating compulsory automobile liability insurance. They believe this step, already taken by several states of the American Union, should be followed in this country if the motor driver is to be protected against assessment for heavy damages. With the city streets congested as they have never been before, and with country highways just as crowded on holidays, Sundays and evenings, accidents are getting to be hourly occurrences. Statistics showing violent deaths and their causes in every city prove the motor-driven vehicle to be the most active destroyer of human life.

Figures of deaths by accident in the Montreal district during the first eight months of the year show that motor fatalities have steadily increased. The automobile heads the list with sixty deaths to its credit, as against 50 last year, an increase of twenty per cent. No less than a third of all the lives snuffed out by accident in this city during the period mentioned were taken by the motor car.

Every motorist is a potential participant in future accidents, many of them unfortunate events in which, though completely innocent, he may be blamed and assessed for damages. Therefore, motor insurance to cover the driver against just such contingences is almost as essential as the license.

A Montreal doctor recently ran down a young woman who was standing on the curb and fatally injured her, with the result that, although the coroner did not hold him criminally negligent, he was forced to pay $10,000 damages to the girl's parents. He was insured for $5,000 against such an accident, and, accordingly, the insurance company immediately paid over that sum. The doctor had to pay the remaining $5,000.

Would Help Pedestrian

In the first place, many motorists are not in a financial position to pay heavy damages, and the loss to property or person cannot be made good in any way. Obviously, the person injured through no fault of his own should be able to collect damages for same from the party who is responsible. It is felt by many that compulsory insurance would make this possible. Then, too, there is the reckless driver, invariably uninsured, who seemingly does not think a great deal about his own life and cares less about other people's. This type causes a large majority of the automobile accidents, and nine times out of ten cannot pay for the damage he has done. The fact that the public would be protected against these fatally careless people is one of the biggest arguments advanced for the adoption of legislation of this kind.

While all these and other arguments are advanced in favor of compulsory automobile liability insurance, there are perhaps one or two things that might be said against it. For instance, it has been suggested that one danger to the scheme lies in the possibility of an increase in the number of accidents by relieving motorists of the responsibility for damage. It is also pointed out that the adoption of this scheme might bring to the front the danger of having insurance funds established by the provinces and forcing motorists to insure in it, a policy which would be strongly opposed by a large section of the population.

The Record of Fire Losses in Canada

Place — Property	Date	Damage	Insurance	Cause
Nova Scotia				
Sydney—A. Martinello, residence	Oct. 7	1,500	......	......
New Brunswick				
Rosevale—H. Rice, 2 barns, crop and animals	Oct. 8	none	......	......
Fairville—B. Mooney & Sons, Ltd., barn	Oct. 9	600	partial	unknown
Fredericton—W. D. Gunter, lumber mill	Oct. 14	25,000	......	......
St. John—A. Hanson residence	Oct. 10	total	none	......
Riverside—J. S. Gibbon residence	Oct. 5	2,000	......	unknown
Quebec				
Millington—A. Westover, barn & contents	Oct. 5	total	partial	......
Aylmer—G. Lajoie residence	Oct. 14	500	....	stove pipe
Valleyfield—McDonald & Robb mill	Oct. 3	40,000	......	short cir.
Montreal—Montreal Abbatoirs, Ltd., bldg	Oct. 14	400,000	covered	......
Tomifobia—M. Cote buildings	Oct. 10	total	none	matches
Montreal—Carter White Lead Co. of Can.	Oct. 20	25,000	......	unknown
Ontario				
Belleville—J. Rombough, G. Tetterson, barns and contents	Oct. 14	total	......	......
Stratford—Cast & Kane workshop	Oct. 14	1,300	......	short cir.
Junetown—C. Scott, barn and contents	Oct. 5	total	......	unknown
Gladstone—L. Johnston, 2 barns and contents	Oct. 9	total	......	unknown
Haileybury—Noranda Mines assay office	Oct. 13	total	......	......
Fenelon Twp.—R. E. McNeish barn & crops	Oct. 8	total	partial	sparks
Toronto—J. M. Copeland residence	Oct. 14	3,000	......	thieves
Toronto—Elias Rogers Coal Co.	Oct. 15	10,000	covered	......
Coldstream—A. M. McInroy, barn bldgs. & crops	Oct. 8	20,000	partial	......
Northport—E. Rabbie barn and silo	Oct. 12	heavy	1,400	unknown
Alvinson—G. Annett barns & implements	Oct. 15	total	partial	unknown
Toronto—J. Weibking, reception hospital	Oct. 16	2,000	......	cigarette
Toronto—Colonial Lunch	Oct. 16	500	......	unknown
Belleville—B. Hay, barn and crops	Oct. 15	total	......	......
Fourth Line & McAllisters' Side Rd.—A. McNabb barn and crop	Oct. 9	total	1,500	lightning
Blanshard—A. McNaughton barn and crop	Oct. 9	total	partial	unknown
Camilla—Camilla Cheese Factory and implements	Oct. 16	4,000	none	spark
Port Stanley—F. Stanton house	Oct. 11	4,500	......	oil stove
Beamsville—H. Clayson barns	Oct. 10	total	small	......
Morton—C. Earls barn and contents	Oct. 10	heavy	partial	truck
Newbury—E. Armstrong barn and buildings	Oct. 13	total	light	unknown
London—Wm. Ward & Sons, cigar factory	Oct. 19	10,000	......	......
St. Thomas—G. Copeland, house	Oct. 19	total	......	unknown
Keady—W. Campbell residence	Oct. 19	total	......	o'heated pipes
Campbellford—Mr. McAvelle, barn and hay	Oct. 14	total	partial	unknown
Tamworth—Fitzpatrick lumber piles	Oct. 19	total	partial	unknown
Woolverton—A. Woolverton premises, stock and mare	Oct. 19	.....	......	......
Toronto—M. Frustman residence	Oct. 20	1,500	......	unknown
Deseronto—A. Luveen barn and contents	Oct. 12	heavy	......	unknown
Saskatchewan				
Adrill—J. D. Bowers, house & contents	Oct. 9	total	partial	......
Kirrobert—W. A. Collins house	Oct. 1	total	partial	......
Alberta				
Balm—P. Lazzo residence	Oct. 4	total	partial	unknown
Fleet—C. L. Coburn store and stock, blacksmith shop and contents	Oct. 8	8,000	partial	unknown
British Columbia				
Tranquille—E. Cooney residence	Oct. 3	total	......	......
W. Vancouver—J. H. Masters, groc. store	Oct. 10	total	......	......

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LONDON SMOKING MIXTURE
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THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.92
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

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Foster Succeeds Gray as Secretary of Conference

After acting as secretary-treasurer of the Conference of Superintendents of Insurance for four years, V. Evan Gray, former Ontario Superintendent, has resigned, and R. Leighton Foster, who succeeded him as superintendent, has been appointed to the position. During his term in office, Mr. Gray has been efficient, and especially active in bringing about improvements in insurance conditions. Through illness, Mr. Gray has been prohibited from attending the present conference, but it is understood he is recovering and will be back at the office of the Canadian Caasualty Underwriters' Association.

Policies for Millions Cover Life of One Man

Life insurance policies totalling millions of dollars on the life of one man are becoming more numerous every year. Rodman Wanamaker, known as the world's most highly-insured man, already has over $6,000,000 of insurance, and his agents are commissioned to secure as much more as possible. The limit which may be obtained is not likely to greatly exceed $7,000,000.

Now the announcement comes from Detroit that Herbert J. Burgess, Jr., and Frank P. Book, have applied for $8,000,000, in addition to the $7,000,000 of policies they already hold. Practically every sound company in the United States and Canada will carry a share of the risk, as well as some European companies.

Some other big policyholders are: Adolph Zuker, $3,715,000; James C. Penney, $3,000,000; J. P. Morgan, $2,750,000; William Fox, $2,850,000; B. E. Bensinger, $2,500,000; James H. Lockhart, $2,135,000; Donald Woodward, $2,000,000; C. S. Mott, $2,010,000; John McE. Bowman, R. N. Norland, J. W. Blodgett, Will H. Hays and Arthur Letts, Jr., $2,000,000 each.

Will Pay Interest on Delayed Death Claims

The Aetna Life Insurance Company has announced that its new policy contract provides for payment of interest on death claims from the date of death until the date of settlement. The rate is three and one-half per cent., plus the rate of excess interest which is then being paid on optional modes of settlement. The total rate this year is four and one-half per cent. The same practice will be applied to matured endowments in the exceptional cases where the proceeds are not paid on the date of maturity. These provisions are retroactive.

The attitude of most companies in the past has been that the company is ready to pay at death, and interest was allowed only when the company clearly caused the delay.

Auto Insurance Men Follow Big Police Probe

From Our Own Correspondent.

MONTREAL.—The investigation into the police force of Montreal, that is now going on, is being watched very closely by automobile insurance men. It is felt that the automobile theft situation in Montreal has been so unsatisfactory as to merit a wide-open probe of police methods of recovering stolen cars, and of auctioning off cars that have been recovered, but for which owners cannot be located. Insurance men have had their own detectives at work tracing the trouble to its source.

INSURANCE CHANGES

A. Hemmington Ryan, for twenty-one years connected with the Phoenix Insurance Company in Montreal, latterly as chief accountant, has been compelled to resign his position owing to ill-health. Mr. Ryan, who is taking up residence in the south of France, sailed from Montreal with his wife and family on Wednesday of this week.

What the Investor Can Learn From the Insurance Companies

They Are the Largest Investors in Canada and Have Established Efficient and Extensive Investment Departments —Investments Over $500,000,000

From Our Own Correspondent.

MONTREAL.—The most important investors in Canada are the life insurance companies; most important because they invest more money than any other single group. Canadian life insurance companies have invested over half a billion dollars in various ways; invested it safely and at an adequate rate of interest return. They have had to set up extensive and efficient machinery to handle the investment of such sums. The investment department of a large Canadian life insurance company would include an investment committee of the board of directors, an investment research department, an extensive statistical department, and a large staff of treasury officials. Investment comes close to being an exact science in such an organization.

There is much that the private investor can learn from the life insurance companies. It is proposed in this and further articles to tell something about how Canadian life insurance companies invest their money, and to draw some lessons for ordinary individuals, who have money to invest.

What Companies Can Buy

Canadian laws tell with some exactitude just what types of investments the life insurance companies may buy. But the laws, while exact, are very broad in their scope, and give no indication of the policies to be followed or the safeguards to be adopted. Some companies invest very extensively in real estate mortgages; others go in more for public utility and industrial investments. But both groups of companies are carefully observing the restrictions imposed by the insurance laws. Again, the companies in nearly every case establish more rigid tests than are set forth in Dominion government legislation for the judging of securities.

Before analyzing the manner in which the assets of Canadian life insurance companies are invested, it may be interesting to consider what an important factor these companies are in the investment markets.

As was pointed out in a recent analysis by E. A. Macnutt, treasurer of the Sun Life Assurance Company of Canada, the report of the superintendent of insurance for the year ended December 31, 1922, shows that the twenty-five straight line life insurance companies of Canada had assets totalling over $555,000,000. These figures compare with $211,000,000 in 1912, an increase of about 163 per cent., demonstrating the well-known fact that no business grows faster and more steadily than that of a well-managed life insurance company.

Americans Invest Here

There has been equally rapid growth of American life companies. The assets of United States life companies in 1902 had just passed two billions of dollars, while, at the end of 1922, their assets had increased to more than eight and one-half billions of dollars, or, in other words, had considerably more than quadrupled in twenty years. In 1923, it was estimated they would be about nine and one-half billions of dollars. Investments of American companies in Canada far exceeded their Canadian reserves, which were in the neighborhood of $107,000,000 in 1922, while their Canadian investments were about $270,000,000. This is a very flattering indication of the way in which the Dominion of Canada's credit is regarded by the executives of American life companies, particularly as, since 1919, investments of American life companies in other foreign securities have been reduced by about one-third.

Our life companies were enormous subscribers to the Victory loans issued during the war, and set a very important example to the people as a whole, which had a very great effect in making them so successful. American life companies also subscribed enormous amounts to their Liberty loans. It is estimated that they owned over $700,000,000 of United States bonds at the end of 1919.

The Legal Investments

Investors will find it of value to know just what Ottawa permits the life insurance companies to buy. The list forms a fair guide that any investor might adapt for his own use.

Canadian life companies may invest in, or loan upon, bonds of the government of the Dominion of Canada, of Great Britain, or of any of its colonies, or of any foreign government or state, or bonds guaranteed by any of the aforesaid governments or states where it does business, or any municipal or school bonds, or bonds guaranteed by a municipality.

Railway bonds guaranteed by the Dominion or provincial governments are treated as Dominion or provincial government bonds respectively.

They can also invest in corporation bonds secured by a mortgage upon real estate or other assets.

Also in debentures (not secured by a mortgage) of any company which has paid regular dividends on its preferred or common stocks for a term of at least five years immediately preceding the purchase.

Also in preferred stocks which have paid regular dividends upon their preferred or common stocks for not less than five years immediately preceding the purchase.

Also in common stocks of any corporations which have paid regular dividends of at least 4 per cent. for seven years immediately preceding the purchase of such stocks. Cannot hold more than 30 per cent.

There are some other clauses safeguarding the investment in stocks. No life company may invest in its own shares or the shares of any other life insurance company.

They may also loan money on real estate in Canada or elsewhere where the company is doing business, providing that the loan shall not exceed 60 per cent. of the value of the real estate.

Companies may in all cases loan money on the securities of the companies which they purchase outright.

There is a prohibition against any life insurance company loaning any of its funds to any director or officer thereof, except on the security of the company's own policies, a very wise provision.

About 92 per cent., or $514,000,000 of the Canadian life insurance companies' assets at the end of 1922 consisted of investments in bonds, stocks, real estate, mortgages, and policy loans. These investments represent to a large degree the accumulated savings of hundreds of thousands of people of very moderate means available for the alleviation of suffering and distress and productively employed in the development of the country, and are by far the greatest accumulation of capital available for investment purposes in Canada.

Two Different Policies

In 1922 there were nineteen straight line life insurance companies operating in Eastern Canada, and six in Western Canada, and it is interesting to note the influence the location of a company has upon its investment policy. The assets of these companies were invested as follows, according to Mr. MacNutt's analysis:

	Eastern Comp's	Western Comp's
Dom. Prov. and other gov. bonds	17.19%	9.64%
Mun. and school bonds	16.64%	9.69%
Railway bonds	.31%	
Public utility, industrial and other corp. bds.	12.56%	5.58%
Stocks	9.82%	1.44%
Mortgages	22.61%	47.78%
Real estate	3.63%	2.32%
Policy loans	13.99%	14.16%
Other assets	7.25%	9.39%
	100.00%	100.00%

These figures show that the tendency of the Western companies is to invest a large part of their funds in town and farm mortgages, whereas the assets of the Eastern companies are more diversified.

As a number of Canadian companies write business outside of Canada, they are usually obliged, under the laws of each country, to invest a certain portion of the reserves on the business done within its borders in such country's securities. Moreover, the movements in the exchanges of the world have been so violent in the last few years that it has usually been found desirable to invest income in the country where it originates. Thus it will be found that some of our companies doing a large foreign business have substantial holdings of foreign government and municipal securities.

Another article in this series, treating more intimately of the methods of judging investments will appear in an early issue.

Advocate Salvage Corps to Reduce Fire Losses

From Our Own Correspondent.

WINNIPEG.—After studying the situation for some weeks, the young men's section of the Winnipeg Board of Trade has recommended a salvage corps as a part of Winnipeg's regular fire department.

In support of the scheme it was stated that the necessary equipment would cost about $10,000, while operation expenses would run from $15,000 to $18,000 a year. It was estimated that $100,000 would be saved annually in the way of salvaged property. Instances were cited of recent fires in Winnipeg where a salvage corps would have prevented a large part of the loss.

Wholesale Desertion of Alberta Dry Belt

From Our Own Correspondent.

LETHBRIDGE, ALTA.—The trek of farmers from the drought-stricken areas of the southeastern portions of the province is very marked. Farms that have been worked for the past 15 to 20 years have been deserted, the owners seeking new locations in the wetter districts of Alberta, or in the irrigated tracts. The next move appears to be the conversion of the country into a cattle and sheep range area. It once was a heavy producer of beef cattle, and is still very valuable from a range standpoint. This is the solution in the opinion of experts, including General Manager Weston of the Imperial Life Assurance Co. of Toronto, who recently made a close investigation of the situation in the dried-out territory. Transfer of the settlers, and the introduction of cattle on the areas formed the basis of Mr. Weston's theory for the relief of the present farmers. He looks upon it as a valuable cattle country.

Big Decline in U.S. Exportations of Wheat

From Our Own Correspondent.

NEW York.—American exports of grains and preparations of grains dropped sixty-eight per cent. during the eight months ending August, 1924, as compared with the same eight months last year. Shipments of wheat fell off over 42,000,000 bushels.

During August, 1924, the shipments of wheat amounted to 16,834,896 bushels, or 2,636,629 bushels more than for the same month last year. Wheat was the only cereal whose exports in August this year were greater than those of August last year.

The average price per bushel of the exported wheat was $1.35 for August, 1924, and $1.09 for August, 1923.

While the shipments of corn and of rye were somewhat less in August, 1924, than for this same month last year, the value of the exports of these grains was in each case greater this August than last.

The value of all cereals and cereal preparations combined for the eight months was $146,227,560, or 32 per cent. less than for the seven months of 1923.

VICTORY LOAN BONDS

Due 1st November, 1924

ACTING on behalf of the Dominion Government, we will redeem, free of charge, at all our branches, on and after 1st November, Victory Bonds due on that date.

Payment will be made in cash or deposited to the holder's credit as requested.

If desired Bonds may be delivered to the Bank in advance of maturity.

THE DOMINION BANK

960R

A Little Story from Life

"You have saved my wife's life," said a city subscriber the other day. An exaggeration, but this is what he meant—

Coming but a short time ago to Toronto he had located with his wife and little girl in the Beach District. Then he moved to Bedford Park section far up Yonge Street, and later to Sunnyside. In each district his wife had made a few friends whom she was very loath to lose.

"We have had a telephone wherever we moved," our friend explained, "and it saved the situation for my wife. She talks across the city to her friends every day."

The incident illustrates how Toronto's telephone system has grown.

The fifty-seven thousand telephones of 1914 have become 137,500 today. Over eighty-three thousand are in Toronto homes. East, West, North and Northwest the system has grown. The Danforth and Beach sections as far east as Birch Cliff, and north to Oakridges and Rivercourt, northward beyond Eglinton and Bedford Park; northwest to Cedarvale and Fairbank areas; and west to Humber Valley and the Runnymede section—district after district has become a pronounced telephone-using area.

As the system grows the usefulness of the service increases.

Each new subscriber adds to the value of YOUR telephone.

FRANK KENNEDY
Manager

British Treasury Loans to Firms in Dominions

An echo of the Imperial Economic Conference held recently is the announcement by the British government that the treasury is authorized and prepared to grant loans to any public utility undertaking in any part of the British Dominions. Such payments will be made, not to the company or the municipality concerned, but direct to the government of that particular Dominion. The amount to be paid is not to exceed three-quarters of the interest payable in the first five years of the currency of such loan. This is one of the tangible results of the conference. An interesting feature of the plan is that the capital sum of the contribution will be limited to the cost of the materials actually purchased and manufactured in the United Kingdom. In this way, Great Britain will benefit from the expenditure of the loan, a rather natural requirement in view of the depressed condition of British industry. It provides also that there may be some supervision of the spending of the funds. In this way, the treasury is acting in a normal banking capacity.

Return of the Chartered Banks of the Dominion of Canada, August 30, 1924

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of the Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Governm'nts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Bks. in Canada	Due to Banks in U.K.	Due to Banks elsewhere
	$	$	$	$	$	$	$	$	$	$
Montreal	39,168,215	47,272,008	....	2,964,378	113,894,514	294,533,476	86,395,461	3,319,832	160,314	1,776,438
Nova Scotia	14,429,550	1,040,739	....	1,311,940	28,337,124	108,383,265	31,333,851	4,078,312	110,011	954,922
Toronto	6,760,942	196,507	100,000	734,420	26,495,493	46,496,271	....	1,056,861	68,507	2,384,095
Molsons	5,001,297	176,881	1,000,000	788,805	11,427,210	39,341,841	....	334,239	47,985	142,058
Provinciale	3,323,954	72,399	....	168,329	4,857,926	25,986,177	....	....	....	162
Union	7,476,540	447,441	7,000,000	3,614,538	26,381,341	48,318,539	1,628,056	290,625	2,394,100	640,561
Commerce	26,206,871	3,763,880	....	5,116,945	111,866,659	199,221,776	40,341,101	816,892	921,703	9,124,253
Royal	29,203,655	1,606,213	5,000,000	3,654,103	84,007,870	190,497,650	164,272,833	819,355	329,680	9,130,500
Dominion	7,106,250	423,651	4,000,000	1,018,124	21,686,508	52,712,622	1,891,327	647,112	307,343	874,772
Standard	4,751,850	192,266	3,200,000	925,553	12,586,557	32,880,494	....	967,896	994,687	861,869
d'Hochelaga	11,568,241	413,940	....	1,055,349	15,008,940	73,779,395	2,185,936	988	110,820	3,226,741
Imperial	9,697,252	808,224	....	2,899,955	24,594,056	56,187,768	....	1,027,092	8,272	90,273
Sterling	1,174,383	74,149	2,400,000	741,134	3,131,670	9,098,231	....	233,286	19,810	1,642,444
Weyburn Security	341,782	48,267	....	4,604	1,162,689	1,422,553	....	....	....	17,721
Total	166,210,782	56,536,565	22,700,000	24,998,177	485,438,557	1,178,860,058	328,048,565	13,592,490	5,473,232	30,866,809

NAME OF BANK	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and coin held	Average Dominion notes held	Greatest amount notes in cir.
	$	$		$	$	$	$	$	%	$	$	$	$
Montreal	74,234	9,185,267	566,661	824,519	27,250,000	27,250,000	654,635,322	31,175,000	12	815,565	17,230,237	47,584,562	39,562,112
Nova Scotia	318,358	4,141,418	....	4,536	19,500,000	10,000,000	223,944,032	15,000,000	16	1,782,651	9,553,154	9,781,909	14,429,550
Toronto	....	1,022,355	....	152,087	6,000,000	5,000,000	96,467,542	10,000,000	12	1,015,114	1,028,417	5,145,308	6,760,942
Molsons	....	769,840	240,286	2,314	5,000,000	4,000,000	68,272,758	5,000,000	12	250,248	604,236	3,050,398	5,130,982
Provinciale	....	....	25,072	4,050	1,500,000	3,000,000	38,938,071	5,000,000	9	....	192,665	298,003	3,323,954
Union	....	1,588,439	1,656	165,091	1,750,000	8,000,000	109,696,931	15,000,000	8	1,735,391	1,130,641	4,550,757	7,596,595
Commerce	4,328,723	10,068,994	....	606,394	20,000,000	20,000,000	452,384,196	25,000,000	12	4,888,128	15,894,000	24,812,000	26,777,671
Royal	4,723,118	26,980,562	....	620,378	20,400,000	20,400,000	561,645,922	25,000,000	12	1,256,310	10,101,640	17,896,610	29,651,464
Dominion	66,504	2,450,887	369,140	981	7,000,000	6,000,000	106,555,227	10,000,000	12	346,876	2,073,000	3,820,000	7,264,664
Standard	14,961	143,173	....	4,013	2,750,000	4,000,000	64,273,323	5,000,000	12	243,500	1,136,517	2,766,494	4,751,850
d'Hochelaga	....	629,666	....	1,750	5,500,000	5,500,000	118,981,770	10,000,000	10	172,791	879,985	3,262,745	11,568,241
Imperial	....	323,320	....	10,710	7,500,000	7,000,000	110,146,927	10,000,000	12	183,994	2,076,640	7,661,715	9,815,967
Sterling	....	7,600	....	6,519	500,000	1,235,000	20,264,229	3,000,000	8	414,830	83,276	790,786	1,174,383
Weyburn Security	....	....	45,559	9	225,000	524,560	3,792,748	1,000,000	5	109,321	19,063	125,402	341,782
Total	9,525,898	57,311,521	1,248,374	2,403,351	124,875,000	121,909,560	2,629,998,998	170,175,000	..	13,214,719	62,003,471	131,546,689	168,150,157

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	17,244,474	49,688,816	3,684,441	696,086	21,459,089	....	27,900,942	89,567,808	48,951,948	6,842,263	7,401,306	97,067,573
Nova Scotia	9,518,868	12,643,342	960,507	1,657,175	7,774,255	....	2,244,904	33,911,785	9,555,801	8,673,698	14,925,255	13,665,297
Toronto	1,021,937	4,621,000	439,905	147,802	3,791,978	....	1,429,355	17,11,7008	3,631,095	2,289,486	9,085,802	....
Molsons	599,295	3,232,583	529,375	119,497	2,626,804	2,630	1,531,887	7,286,369	1,359,209	1,291,817	4,498,516	....
Provinciale	185,953	288,747	511,254	66,777	1,997,472	2,598,444	269,511	3,962,986	3,033,118	1,818,840	4,317,640	....
Union	1,139,921	5,059,951	777,768	141,480	3,480,802	70,591	2,453,364	14,152,523	6,659,761	3,462,175	1,036,973	28,435
Commerce	10,082,005	17,868,775	2,032,875	1,787,949	17,330,079	9,915	12,869,409	44,344,012	20,979,712	7,972,343	26,836,308	17,481,196
Royal †	12,154,823	20,912,174	2,830,805	20,449,445	20,794,658	47	23,132,965	44,584,437	22,157,500	14,570,621	16,142,568	42,446,255
Dominion	2,060,041	4,383,935	954,230	381,222	3,509,612	5	1,639,045	16,600,375	3,631,461	1,946,780	4,883,456	960,808
Standard	1,151,000	3,390,301	347,102	43,927	2,289,630	100,000	833,078	8,668,297	3,029,401	152,623	3,620,197	....
d'Hochelaga x	931,363	3,067,334	1,333,990	341,257	3,187,999	1,013,115	1,147,798	20,885,584	8,176,879	1,365,091	6,433,728	....
Imperial	2,098,919	8,615,077	1,131,351	316,912	4,852,347	459,031	2,578,745	14,114,385	4,478,909	187,314	3,850,014	2,800,000
Sterling	84,900	1,116,719	96,950	23,585	518,630	6,989	212,284	8,652,581	1,256,740	270,099	45,031	....
Weyburn Security	17,273	127,235	26,017	4,046	20,267	253,573	28,043	8,192	9,314	....	....	....
Total	58,290,772	135,015,989	15,656,570	26,177,160	93,633,622	4,514,340	78,280,350	323,850,042	136,910,848	50,843,150	103,076,794	174,449,564

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	198,604,358	21,173,608	25,525,129	2,045,971	898,100	975,541	9,800,000	9,185,267	1,360,241	15,000,000	1,288,925	592,915	656,954,808
Nova Scotia	73,001,227	14,661,501	2,760,285	838,644	80.734	110,807	7,844,518	4,141,418	482,198	5,500,000	....	178,226	225,130,454
Toronto	44,752,398	....	2,600,038	384,675	....	89,124	3,490,253	1,022,355	248,000	2,200,000	....	....	98,355,916
Molsons	38,055,823	....	781,437	689,796	131,666	66,106	2,917,889	769,840	197,000	1,500,000	306,585	291,474	68,785,605
Provinciale	15,802,221	....	1,577,814	172,586	98,692	78,881	1,426,533	....	158,750	350,000	....	286,315	39,002,541
Union	57,277,082	1,166,407	4,869,540	893,746	451,256	384,075	2,266,042	1,588,439	420,000	400,000	2,149,300	21,155	110,350,795
Commerce	192,858,643	28,424,711	15,987,690	2,335,772	2,062,703	482,729	11,710,706	10,068,994	1,030,000	10,300,000	1,461,474	433,211	456,751,224
Royal †	144,429,613	113,471,876	9,191,331	1,863,294	1,715,596	389,405	13,804,949	26,980,562	1,020,000	10,500,000	431,501	448,117	564,422,551
Dominion	53,147,686	1,172,723	1,321,945	322,686	89,351	20,744	6,117,944	2,450,887	324,000	1,400,000	....	507,392	107,826,336
Standard	35,098,117	....	1,693,472	674,641	325,049	79,105	1,895,076	143,173	200,000	900,000	....	47,759	64,681,955
d'Hochelaga x	55,257,811	478	1,934,483	150,819	1,469,483	415,228	5,137,966	629,666	361,708	6,500,000	....	176,480	119,918,268
Imperial	47,538,875	....	5,973,315	623,422	454,856	377,421	5,075,438	323,320	340,417	4,502,533	....	661,303	111,353,914
Sterling	5,109,915	....	720,385	188,107	14,877	20,311	760,866	7,600	66,000	....	1,031,980	132,588	20,346,147
Weyburn Security	2,413,737	....	175,307	133,372	135,069	69,978	226,423	....	24,981	....	....	75,083	3,747,917
Total	963,347,506	180,071,304	75,112,171	11,317,531	7,927,432	3,559,455	72,474,603	57,311,521	6,233,295	59,052,533	6,669,765	3,852,018	2,647,628,431

* Of this deposit $9,502,533 is in gold coin; the balance is in Dominion notes.

*The business of the branches of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies in compliance with legal requirements of the respective countries, and the figures are incorporated in the above-mentioned general statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank of Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

x The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque d'Hochelaga are included in above return.—Footnote to Banque d' Hochelaga return.

DEPARTMENT OF FINANCE, OTTAWA, OCT. 9, 1924.

THRESHING FINDS GRADING BETTER THAN INDICATED

Western Grain Not Moving as Rapidly as Was Anticipated

THE POWER ISSUE

Manitoba Deeply Concerned Over Proposal to Give Power Dam Into Private Hands

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

WINNIPEG.—Threshing has been general throughout the three prairie provinces since Friday last and considering the shortage of men, and the fact that the ground in many places is very soft from the late heavy rains, reducing the load it is possible to haul to the separators, excellent progress is being made, not sufficient has been threshed to materially increase the receipts, though indications are that movement will be heavy in the next few days. Grades on the whole are fairly well maintained. Saskatchewan government claims that 65 per cent. of the threshing is done in that province, but farmers and elevator men place it at a lower figure. Manitoba has about 70 per cent. threshed in the southern half of the province, but probably not more than 45 to 50 per cent. in the north. The provincial government of Manitoba claims that 18 days of fine weather will see the bulk of the Manitoba threshing completed. Samples of grain threshed since the rains have been received from all over the west by the chief inspector, and the Grain Standards Board has been called to sit here Oct. 28 to establish the commercial grades for this season's crop.

Vessel agents and owners are complaining of the small amount of business being done owing to delayed movement. Seven boats reported at Fort William yesterday and found difficulty in securing cargoes. Rates are 2¼c. to Buffalo; 2½c. to bay ports and 10½c. to Montreal. Great activity is still reported from Duluth, where the embargo on receipts has been raised for some days.

As predicted at the time of making estimate of crop the oat crop is proving light with much of it of low germinating strength and unfit for seed. The Dominion seed branch are making a survey of available seed quality oats and having announced their intention of so doing through the public press there is little doubt that prices paid will have to be high to secure requirements.

While the barley crop, taking the amount of summer fallow prepared during the past summer the amount of fall ploughing which has been possible to do is the smallest in many years and it is not likely that much acreage can be covered now before the freeze up. This will mean a tendency to increase the area in coarse grains next spring, as they can be seeded later, giving time for spring cultivation. This will increase the demand for good seed oats and a good seed barley.

While the barley crop, taking the west as a whole, is light and much of it touched with frost, in the southern parts of both Manitoba and Saskatchewan, and particularly Manitoba, the barley crops were heavy, and the quality fine, and much of this barley was threshed before the rains came so that good barley for seed should be fairly plentiful if the high prices do not tempt the farmers to sell themselves short.

There is not a dull moment in Winnipeg these days and the Crow's Nest Pass rates and the Norman Dam have even superseded talk of the crop for the time being. After a 42 year residence in the city it is possible to speak with some authority on record crowds and certainly the crowds at the citizens' meeting about the power dam surpass anything in my recollection. It is not only our power but our actual water supply which the Dominion government propose calmly to place in the hands of private interests, for any lowering of the water levels of the Lake of the Woods would be reflected in the levels of the Shoal Lake from which Winnipeg draws its supply. The experience of the West with Mr. Backus during the days of the "paper control" have convinced everyone west of Kenora that the only safe ownership of the dam at Kenora is that of the Dominion government. The proposal for the Dominion government to give Mr. Backus $820,000 to build the dam and then let him own it, while Manitoba reimbursed the Dominion government for a large portion of that money, was characterized by Mayor Farmer, of Winnipeg, as on a par with paying $6 to a merchant for a pair of boots and then letting him keep the boots rather than paying $10 for a pair of boots and owning them outright.

The feeling is growing in Winnipeg and the West generally that there is a concerted and determined effort on the part of the east to handicap the West and the feeling of antagonism is growing more rapidly than those who long for a United Canada care to see.

Too Early to Estimate Damage Caused by Rains

REGINA.—Threshing was resumed generally throughout the province on Friday and Saturday of last week, although a few were not able to start before Monday of this week, according to telegraphic reports received by the statistics branch of the Department of Agriculture. Warm clear weather prevailed, generally, since the rains of the 11th and 12th, but as there was very little wind, the stooks dried slowly and many who attempted to thresh earlier in the week found the grain too tough. The extent of the damage caused by the rain is hard to determine before threshing, but it is estimated that bleaching will cause a reduction of one or two grades on the unthreshed wheat. Only two or three reports of sprouting have been received. Over 65 per cent. of the threshing is completed in the province except in the southeast where more than half of the crop is still unthreshed. The flax crop is reported fair in the south, but in other parts the reports are indifferent. The rain has provided an opportunity for work on the land and some fall plowing has been done.

A DEMAND FOR U.S. TARIFF REVISION

Argument That Markets Must Be Opened For European Goods if Relations to Be Sound

From Our Own Correspondent.

NEW YORK.—A strong demand for tariff revision downward is expected to make its appearance when Congress reassembles. The demand will be made, it is said, no matter how the election on November 4, turns out.

The party demanding revision is said to have the support of the bankers and manufacturers with international interests. It is being increasingly urged that the Dawes Plan cannot succeed unless the American market is partially opened to the German manufacturers and that American investors cannot hope for any return on their German investments unless everything possible is done to encourage the development of German foreign trade.

It is also said that the United States government is under a moral obligation to make the entry of British made goods into the United States easier than it is at present. It is said that some such intimation was given the British Government at the time ex-Premier Baldwin visited the United States in connection with the settlement of the British debt question.

U.S. HAS BALANCE OF IMMIGRATION

Still More Canadians Going to U. S. Than Returning—British Election Affects Plans

From Our Own Correspondent.

OTTAWA.—There was a decrease of 40 per cent. in immigration during September, as compared with that for the corresponding month of last year, the arrivals having been 8,493 against 14,172. For the six months ending September, the decrease has been 10 per cent., compared with the figures for the corresponding period in 1923.

During September, the arrivals from the British Isles were 3,834; from the United States, 1,366; from other countries, 3,293. During September, 1923, the figures were: From British Isles, 6,398; from the United States, 2,412, and from other countries, 5,632.

During the six months ending September the arrivals from the British Isles were 42,788 and 51,961 for the same months last year. From the United States they were 10,155 and 13,055; and from other countries, 32,269, as compared with 29,317 for the same month a year ago.

During September, 3,625 Canadians returned from the United States, as compared with 4,991 in August. It is understood from American sources that the number of persons who entered the United States from Canada during September was a little over 7,000, which is considerably below the number that went across in September, 1923.

Contrary to expectations, it is now certain that little will come of the visit of Miss Bondfield, M.P., on immigration matters to this country. Had she been able to make a report there is no doubt that her conclusions would have had considerable effect on British immigration policy. But there is doubt now whether the Labor government will be returned to power in Great Britain, and even if it should be, it is by no means certain that Miss Bondfield will retain her old position.

Restore the Personal Covenant in Alberta

From Our Own Correspondent.

LETHBRIDGE, Alta.—Addressing the Lethbridge Board of Trade at its weekly luncheon, W. H. Howard, Western manager of Trusts and Guarantee Co., and president of Calgary Board of Trade, pleaded for the restoration of the personal covenant in Alberta. Mr. Howard maintained that mortgage companies could not and would not lend money on farms until the "discriminating legislation" in Alberta is scrapped and business placed on its normal and sane basis. Mr. Howard also advocated an intensive policy of colonization, urging the settlement on Alberta lands of agricultural immigrants, carefully selected, and assisted after going on the land by government aid. He thought a corporation after the order of the Soldiers' Settlement Board, with government backing, would effectively handle the problem of land settlement, a question of paramount moment to Western Canada.

Railway Earnings

Canadian Pacific Railway

Week end.	1924	1923	Change
Oct. 14	$4,214,000	$5,193,000	—$ 979,000

Canadian National Railways

Week end.	1924	1923	Change
Oct.14	$ 5,138,847	$ 5,891,610	—$ 752,763
Jan. 1 to Oct.14	182,505,835	191,566,686	— 9,060,851

TAXES AND TOURISTS BEFORE TRADE BOARDS

Important Matters to be Considered at Convention in Toronto in November

The Ontario Associated Boards of Trade to convene in Toronto, November 21 and 22 will consider resolutions from Toronto and Hamilton, the two largest bodies represented, requesting the Dominion government to amend the income tax in numerous ways. The Hamilton resolution hints at the possibility of abolishing the supertax in its entirety, reducing the surtax on large incomes, and increasing the exemption on small incomes. The Toronto resolution suggests the exemption of income on carrying charges on non-dividend-paying securities, the averaging over a period of three years of the incomes of persons or firms, and the elimination of duplication of taxation by conference with the governments of the several provinces.

Encouragement of tourist traffic, with its accompanying revenue, is urged by more than one resolution, of which this from Peterboro' is typical: "Resolved, that the executive be authorized to call a meeting of representatives of Boards of Trade and Chambers of Commerce, County, City and Town Councils and Provincial Government representatives, with the object off forming the Ontario Tourist Association."

Budgeting Helps Cut High Office Expenses

The amount of clerical help required to do a specified amount of business is one of the problems in budgeting for better office management dealt with during Management Week. "Too many section heads gauge their own importance by the number of employees over whom they hold sway," says W. H. Leffingwell of the Taylor Society. "Budgeting dispels this illusion and focuses attention on the fact that their efficiency depends upon the relative cost of handling their sections, and not upon the number of clerks.

"When the office manager is asked to budget his expenses and told to figure less than last year, he will then direct his attention to the amount of clerical work that will be involved in doing the required amount of business, and will, for the first time, perhaps, discover that without standards he has little definite data on which to base an estimate. He will likely take up the matter with each section head and tell him that expenses must be reduced, and he may then make another unlooked for discovery. Section heads will volunteer the information that perhaps they can each get along with one less clerk, though previously they have been asking for more."

GERMANY IS BEST FLOUR CUSTOMER

Took About 40 Per Cent. of All Exports From Canada During September

From Our Own Correspondent.

OTTAWA.—Germany took about 40 per cent. of all the flour exported by Canada during September, or 365,756 barrels, out of a total of 967,140. The next best customer was Great Britain, which took 249,909 barrels. Other important purchasers that stood out were the Netherlands, 39,367 barrels; Greece, 25,716 barrels; Poland, 23,791; Newfoundland, 34,588 barrels; Trinidad and Tobago, 23,755 barrels. Flour went to 51 countries.

Germany also took 499,388 bushels of wheat during September, Belgium, 867,120; the Netherlands, 472,930; Italy, 304,674; Greece, 310,859; Sweden, 170,507, and the United Kingdom, 7,129,000 bushels.

It is to be noted that Japan did not take any wheat or flour during the month, and that China, while she took no wheat, took only 10,500 barrels of flour, as compared with 23,688 barrels during the corresponding month of 1923. Hong Kong's purchases were also 13,675 barrels, as compared with 28,064 last September. Advices received here have suggested that shipments of grain and flour to the Orient during the current crop year would probably be reduced owing to the higher wheat prices.

FARMERS DIRECT CROP REVENUE TO DEBT SETTLEMENT

(Continued from page 1)

POST this week that in the 37 years of his experience in handling Ontario cattle, this is the best year in the industry. He stated that the cattle are coming off the grass in more perfect condition than ever before. Total shipments of cattle and calves from Canada for the year to date were 848,840, as against 806,884 for the same period last year, despite adverse conditions. Ontario has harvested the largest crop in the history of the province, with one exception. This fact, combined with the rise in grain prices, places the Ontario farmer in an enviable position. The increase in the value of all farm products over that of 1923 is variously estimated from 25 to 40 per cent. The lowest estimate of 25 per cent. would bring this year's revenue up to $500,638,000, in comparison with $394,548,000 last year, and $415,149,000 the year before. Taking price levels into account, this is the largest actual revenue which the province has ever realized.

Taking the country as a whole, there are a number of bullish factors in the business situation. The settlement of the Alberta coal strike has terminated the appalling loss which the province and the country were suffering throughout the summer. This is already evident in car loadings, which continued last week's increase despite a decline in grain shipments. With the improvement in debt liquidation, collections in general have shown an improvement for the first half of October in virtually all parts of the country.

THE CONTROLLING FACTOR OF STOCK PRICE MOVEMENTS

(Continued from page 12)

all the life had been taken out of the stock market. And so we had a rather surprising corroboration of this highly theoretical plan that we had been working on. Of course, this can be carried on and was carried on up until 1924. During the war period it is very much disturbed. It starts off all right here and shows that this was the time to sell at the top. This crossing showed the time to buy at the bottom. Here comes the time to sell at the top, and then the decline in bonds. And then come the years that all of us remember so well. There really wasn't any time to buy and sell bonds, the thing to do was to sell them. If we pass now over those years of 1914, 15, 16 and 17 and come to the end of 1918, we get the crossing of the furnace line on the way up here, and that was the time to sell for the stocks and we get the period of the sixty per cent. above line during 1920, and the time to buy, which struck very nicely, for the bond market, and reasonably well for the stock market. And as we go on we find it getting more accurate as more nearly normal times return. We find it going up in the early spring of 1923, and signalling the end of the bull market, which came in March of 1923. We find that late for the bonds. A curious mix up of the old rule appeared there, apparently because of the severe strikes of 1922, which postponed the crossing of that line. And then we had to meet the most surprising action of this line, which dipped below in October of 1923, and rose above last spring in February of 1924, and fell below in May of 1924, indicating that had we had full faith and known all about this, the line would have told us, falling below sixty and coming above and falling below, to buy stocks or bonds or both in October and sell them out again in February, and to buy them back in May, and had one done that, of course, we would have struck exactly the turning point of this market during those past twelve months.

"To summarize, first business controls interest rates and interest rates rule security prices. There are some exceptions to that, particularly when money in the shape of gold is being shipped into this country from abroad in large quantity and without a close relationship to industrial activity in this country. That is without precedent in this country, but it is a present condition, so maybe we will have an exception to that rule; we could have one.

"Secondly, the best indicator of general industrial business is not any of the complicated compilations that have been put forth by the various services, but rather the percentage of blast furnaces and the period in blast and the records of these month by month and for many years back are published in the first issue of each month of the Iron Trade Review, and there you have the number of furnaces and the number of them that are active, and anybody can find out what the percentage is at any time. I have tested it out pretty carefully. It is the best indicator of general business.

"In the third place, when that line crosses the 60 per cent. line, going up or coming down, those crossings usually mark turning points in the security markets.

"Fourth, the reason why they do that these cross marks change in the direction of the short time interest rate. It means that business is speeding up enough to take up the available floating supply of money or slowing down with sufficient rapidity so as to release it.

"Fifth, the effect of low and high interest rates is accumulative effect. The effect is not proportional to the degree that they are high or low, but to the duration of time that they run below the bond yields or above the bond yields of high grade bonds.

"Sixth, when short time money is below long term, when the commercial paper rate is below the bond yield, it means rising prices for securities and vice versa.

"You may ask me, 'Well, if your interest rate tells this, why do you fool with that furnace line? Why not just fool with your interest rate?'

"There are two reasons, in the first place, that the furnace line moves sufficiently far ahead of the interest rate to foretell it, and that is what you want to know. You want to know it a little bit in advance. Secondly, that your interest rate plays unexpected tricks when it gets ready to change from low to high. It may even change all the way down in a single month or two months, all the way up or all the way down. Your blast furnace line never plays any tricks like that. The blast furnace line runs in a nice long line up towards 60, down and up, and what you have got is a line that is coming towards the horizontal line and you can see it coming and can pretty near tell what month it is going to hit, so that is the reason why it is well to supplement one with the other. And still a third reason that I might mention is that the blast furnace line depends on domestic industrial activity, but the interest line may be dominated by the supply of money from abroad, but you can not find any record, as far back as you care to chase, where both of them went wrong together. If you have got them both, apparently you have got a real method for judging what is likely to be the next development."

Jobs for Reds Only Slogan at Port Arthur

PORT ARTHUR.—That there are foreign born foremen in Fort William who will not give applicants jobs unless they are Reds, was a statement made by W. A. Dowler, K.C., at the meeting of the Kiwanis Club. Mr. Dowler said he could prove this statement. The remark was occasioned in a discussion following the reading of District Governor Anderson's Immigration Problem report.

CANADIAN PACIFIC

Of the 38,000 shares of Canadian Pacific recently acquired by an American banking group from the Canadian alien property custodian, it is understood 12,000 shares were sold in London, the balance being sold privately in the United States, says the Boston News Bureau.

DEBENTURES

Tenders Wanted

For the purchase of $101,816.82 Town of Preston Local Improvement Debentures 5½% twenty annual instalments.

Tenders for same will be received by the undersigned up to noon Monday, November 3rd.

GEO. WURSTER,
Town Clerk.

DIVIDENDS

Wayagamack Pulp & Paper Co., Limited

NOTICE is hereby given that a Special General Meeting of the Shareholders of WAYAGAMACK PULP & PAPER COMPANY, LIMITED, will be held at the head office of the Company in the City of Three Rivers, on Thursday, the 27th day of November next (1924), at the hour of 1 o'clock in the afternoon, for the purpose of considering, and if deemed advisable, passing resolutions:

(a) To sanction a By-Law enacted by the Directors authorizing the creation and issue of Five Year 6½ Per cent. General Mortgage and Collateral Trust Gold Bonds to the aggregate amount of $1,500,000.

(b) To extend the corporate powers of the Company to include other and additional objects and to authorize an application for Supplementary Letters Patent confirmatory thereof;

(c) To confirm a resolution of the Board of Directors authorizing the sale of a portion of the Company's vacant Land on Wayagamack Island.

DATED at Three Rivers, this 22nd day of October, 1924.

By Order of the Board,

D. L. ADAMS,
Secretary.

BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LTD.

(Incorporated under the Laws of Canada)

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared a quarterly dividend of one per cent. on the issued Ordinary Capital Stock of the Company, payable on 1st December, 1924, to all shareholders of record on the registers, at the close of business on the 31st October, 1924.

DATED at Toronto, Canada, 15th October, 1924.

J. M. SMITH,
Secretary.

NOTE: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London E.C. 2.

Southern Canada Power Co.

LIMITED,

COMMON DIVIDEND No. 3.

A Dividend of One Dollar ($1.00) per share on the NO PAR VALUE COMMON STOCK of SOUTHERN CANADA POWER COMPANY, LIMITED has been declared, payable November 15th, 1924, to shareholders of record, October 31st, 1924.

By order of the Board,

L. C. HASKELL,
Secretary-Treasurer.

Montreal, October 8th, 1924.

Dividend Number 129

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A DIVIDEND of 1% on the outstanding capital stock of the Company has been declared payable on the 3rd day of November, 1924, on which date cheques will be mailed to shareholders of record at the close of business on the 16th day of October, 1924.

Dated the 9th day of October, 1924.

D. A. DUNLAP,
Treasurer.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter. A BONUS of TWO per cent. has also been declared for the year ending 31st October, 1924, both payable on and after MONDAY, the FIRST DAY OF DECEMBER next, to shareholders of record of 31st October, 1924.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 21st October, 1924.

U.S. Mining Men Are Watching North Ontario

Le Roy M. Gross, New York, president of Canadel Gold, which company is delevoping the Rochester property, says American mining men are very interested in Northern Ontario. Many of the large American operating companies, such as the U. S. Smelting and Refining Co., have recently shown a great interest in Northern Ontario, and Canada in general. Our concern, though known as English, has many American associates. You must remember that English miners are quite up to us Americans, whatever the reputation given us on account of past and considerable experience, but I think the English are rather stronger than we are in regard to mine financing.

A reason for this absorbing interest in Northern Ontario and Quebec is found, Mr. Gross says, in the fact that in the United States no important mine has been found in that country for the past ten years, which naturally turns Americans towards us.

DIVIDENDS

THE CANADIAN BANK OF COMMERCE

The Board of Directors of The Canadian Bank of Commerce at a meeting held 17th October, declared a dividend on the Capital Stock of the Bank of 3 per cent. for the quarter ending 30th November, 1924, together with a bonus of 1 per cent. payable 1st December to shareholders of record of 15th November. The transfer books will be closed from 17th to 29th November, both days inclusive.

A. J. A. TRIGGE,
Secretary.

Toronto, 17th October, 1924.

The Northern Mexico Power & Development Co., Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 7 per cent., covering one year's accrued dividends to 1st January, 1922, has been declared on the preference shares of the Company, payable on the 1st day of November, 1924, to shareholders of record at the close of business on the 22nd day of October, 1924.

W. L. REED, Secretary.

Toronto, October 16th, 1924.

CANADA CEMENT COMPANY, LIMITED

PREFERENCE SHAREHOLDERS
Dividend No. 59

NOTICE IS HEREBY GIVEN that a dividend of 1¾% for the three months ending September 30th, 1924, being at the rate of 7% per annum on the paid-up Preference Stock of this company has been declared, and that the same will be paid on the 15th day of November next to Preference Shareholders of record at the close of business October 31st, 1924.

H. L. DOBLE,
Secretary.

Montreal, October 15th, 1924.

NOTICE
THE CANADIAN CONVERTERS' CO., LIMITED

NOTICE IS HEREBY GIVEN that a Dividend of one and three-quarters (1¾%) per cent. has been declared on the Capital Stock of this company, for the quarter ending 31st October, 1924, payable 15th November, 1924, to shareholders of record, at the close of business, 31st October, 1924.

By order of the Board,

THOS. M. BARRINGTON,
Secretary-Treasurer.

Montreal, 17th October, 1924.

THE BANK OF TORONTO

Dividend No. 173

NOTICE IS HEREBY GIVEN that a dividend of three per cent. for the current quarter, being at the rate of twelve per cent. per annum upon the Paid-up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its branches on and after the FIRST day of December next to Shareholders of record at the close of business on the 15th day of November, 1924.

By order of the Board,

JOHN R. LAMB,
General Manager.

The Bank of Toronto, Toronto,
October 15th, 1924.

McINTYRE PORCUPINE MINES LIMITED

(No Personal Liability)
DIVIDEND NO. 24

NOTICE is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on the 1st day of December, 1924, to shareholders of record at the close of business November 1st, 1924.

By Order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, October 17th, 1924.

THE CANADIAN BANK OF COMMERCE

Dividend No. 151

Notice is hereby given that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th November, 1924, together with a bonus of one per cent., payable at the Bank and its Branches, on and after Monday, 1st December next.

The Transfer Books of the Bank will be closed from the 17th November to 30th November next, both days inclusive.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 17th October, 1924.

The Consumers' Gas Company of Toronto

NOTICE OF ANNUAL MEETING

The Annual General Meeting of the Shareholders of The Consumers' Gas Company of Toronto, to receive the report of the Directors, for the Election of Directors for the ensuing year and for the transaction of such other business as may properly be transacted at the meeting, will be held in the Company's Board Room, 17 Toronto Street, Toronto, on Monday, the 3rd day of November, 1924, at 12 o'clock, noon.

By order of the Board.

ARTHUR HEWITT,
General Manager.

Dominion Textile Company, LIMITED

Notice of Dividend

A dividend of one and three-quarters per cent. (1¾%) on the Preferred stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 30th September, 1924, payable October 15th, to shareholders of record Sept. 30th.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Featuring Asbestos in Canada

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Special Section 17-24 PUBLICATION OFFICE: TORONTO, OCTOBER 24, 1924 Special Section 17-24

How Asbestos is Mined

The Bell mine at Thetford. Ore is "quarried" in deep pits and taken to the surface by locomotives pulling car sup an incline. Photograph by Quebec Central Railway.

ASBESTOS MINES ASK GOVERNMENT AID IN PROBLEMS

Canada Losing Big Yearly Revenue Because of Conditions

PRICES TOO LOW

Price-Cutting, "Dumping" and Royalty Tax Enter Into Difficulties of the Asbestos Producers

Canada is not getting a return from her asbestos mines that is commensurate with the dominant position of Canada as a producer of this important mineral. Asbestos prices have dropped, and, as there has been no similar fall in cost of production, the Canadian mines are making small profit. Some of them are making no money at all. Briefly put, the situation at the present time is that Canada is wasting a great natural resource by selling thousands of tons of it yearly to foreign countries at cost or less than cost.

This serious situation merits a study of the causes behind it.

One of the larger companies, the Bennett-Martin Company, which went into insolvency last spring, has recently been sold by the receiver for some $608,000. This company was looked upon, at one time, as one of promise, and considerable money was invested in it. But it was unable to withstand the force of recent conditions and collapsed in spite of all efforts to save it. An idea of the extent of its failure may be realized from the fact that while the receiver got only $600,000 for the property, four or five times that amount was asked by the owners for their holdings when an asbestos merger was in contemplation a little over a year ago.

Asking Federal Price-Fixing

The remaining companies report somewhat unsatisfactory conditions and feel unless some change takes place, or government action is taken, that the outlook is indeed gloomy for them.

What is asked by the companies is that the Quebec and Canadian governments, between them, should evolve some law that would prevent American asbestos manufacturing concerns, owning Canadian mines, from throwing their surplus production on the market. By surplus production is meant that part of their output that is not required for use in their factories manufacturing products from asbestos. At first blush, it seems that their action in producing more than their needs and dumping the excess on the market at low prices, is wasteful and shortsighted. But the larger production enables costs to be lowered, and is similar to the action of manufacturers in selling their goods in export markets at lower prices than at home.

American-owned mines have done this, and it has put prices down to a point where Canadian-owned mines cannot live. It is felt that only definite legal safeguards to prevent such dumping will protect Canadian mines. It is felt also that some arrangement should be entered into between the governments of Canada and Rhodesia for an agreement tending to stabilize the industry as a whole by establishing limits of production and maintained prices at a fair level.

The asbestos producers state that the inaction of the Dominion and Quebec governments is hard to understand, as the asbestos industry is of great importance to the province of Quebec. In fact, it is Quebec's greatest mining industry, and a large section of the population are dependent upon it for their livelihood.

Will Canada Lose Control?

Asbestos men are afraid that the asbestos sceptre of Canada will pass for all time to Rhodesia. Last winter, Dr. Mattison, of Keasly and Mattison, of Philadelphia, owner of the Bell Asbestos Mines at Thetford, declared in the press that the asbestos sceptre of Canada had passed to Rhodesia. He painted a depressing picture of the mining of asbestos in the province of Quebec. His statement is rather borne out by the annual return of the South African government, which shows that the exports of asbestos, of shingle stock or higher, is now greater than from Canada.

The recession of prices is well exemplified by the six months' return of the Dominion government on minerals, which shows that the average price of asbestos has dropped from 36.09 to 30.44 per ton, compared with the same period last year.

The situation is serious, and it is sometimes wondered why the companies themselves cannot co-operate to improve conditions. In the first place, without full knowledge of the situation, this would appear fairly simple and logical. But it has been found impossible to carry out full or partial co-operation between the companies. The mines owned by United States manufacturing interests will not co-operate, and some of them throw their surplus material, over their own requirements, on the market to the detriment of others engaged in the industry, such as the mines that must obtain their revenue and profits from the production of asbestos for sale.

The Low Labor Costs

In the second place, the higher grades are affected by foreign and Empire competition, where, in addition to rich and extensive bodies of asbestos, low labor costs and lack of conditions are detrimental to the Canadian industry. The Rhodesian mines, for instance, pay something like 30 cents per day to native labor, whereas in Canada the average daily wage is about $3. And as labor represents about 60 per cent. of the cost of production of asbestos, it will be seen that this makes it exceedingly difficult for the Canadian companies to compete with the foreign asbestos.

In the third place, the endeavor of most of the other mines to keep oper-

(Continued on page 21)

ASBESTOS DAILY FINDING FIELDS OF NEW SERVICE

One Canadian Company Establishes Research Work at College

Hardly a day passes that we do not hear that some use for asbestos has been developed and marketed. The problems of to-day become possibilities to-morrow, and in a short time some new and improved product makes its appearance.

In the devastated regions in France and Belgium houses have been erected of asbestos construction, varying in size from two to four rooms. The walls, floors, roof and interior construction are all composed of asbestos composition, asbestos being used both for its insulating properties, and for its fire, rot, and damp-proof qualities. Such houses are cheap, easy to construct, and everlasting. In this country they would prove most effective summer camps, and shooting and fishing boxes, and, undoubtedly, a few are already in use. The cost of a two-room house at the factory, including erection, is under $120, of a four-room, $250. This includes wiring for electricity.

Asbestos Carpets in Theatres

In theatres, where smoking is permitted, an asbestos carpet undoubtedly saves money and guards against fire. One such carpet, dyed a pleasing color, is in use in a European theatre.

In metallurgical fields, for filtration of acid and alkali solutions, asbestos cloth has already been tried out. It stands up longer than any material of vegetable origin, and thus saves both time and money losses due to shutdown of equipment.

Asbestos fibre acts as a binder in road surfacing. As well as binding, it decreases the expansibility, being unaffected by temperature changes.

Ornamental plaques, simulating bronze and gilt tablets, are made of asbestos. Also very artistic moldings and panels of the same material, which can be made to represent any wood, and are excellent imitations, are made in the same manner. This product takes any kind of paint, can be sawed and nailed, and increases in hardness with time. At the end of two years it is almost unbreakable

Even Asbestos Sewer Pipes

Sewer pipes and conduits, made from asbestos and cement, are highly favored by the Italian government. They are rust-proof, and have a lower coefficient of friction than iron, being made perfectly smooth inside. These are joined by a flexible asbestos coupling.

A multitude of other uses are being, and have been, brought forward. In this connection, one Canadian company, the Consolidated Asbestos Corporation, of which Sir Mortimer Davis is the head, has established a Research Fellowship at the Mellon Institute, University of Pittsburgh, for the furthering of present knowledge, and the discovery of possible future uses of asbestos.

What Are We Going to Do About Asbestos Industry?

In this issue, THE FINANCIAL POST directs attention to one of the greatest of Canada's natural resources—asbestos. In spite of widely quoted generalities, Canadian business men little appreciate the economic significance of that little strip of serpentine rock that runs through the eastern townships of Quebec. Already, this district has produced asbestos valued, at the mine, at over $100,000,000. The presence of asbestos there has built up towns, has made fortunes, and enhanced the yearly purchasing power of the country. It has added to Canada's favorable balance of trade, for Canada consumes only a small portion of the asbestos that she produces, and sells the remainder throughout the world.

Canada has been and, in fact, still is, the world's chief source of supply of asbestos. Most of the automobiles in the world have brake bands made of Canadian asbestos; there are homes the world over roofed with Canadian asbestos; steam plants in every country use asbestos sheathing and packing.

Canadian production is growing, and, in 1923, was the highest on record, measured in total tonnage.

The Problems of the Industry

Having established a recognition of the importance of asbestos to Canada, a study is in order of the present serious and pressing problems of the asbestos producing industry. These problems get back to one fact; that Canada is not getting a proper return for the asbestos she is producing, for the capital she is dissipating. Prices received for asbestos in 1923 were so low that at least one company was forced into liquidation; another was forced to curtail dividends, and others struggled along making losses.

Prices have gone still lower. Here, for instance, is the official government record of asbestos prices for the first half of the present year, as compared with the first half of 1923.

Average Prices of Asbestos, F. O. B. Mines, January 1 to June 30, 1923-24.

	1923	1924
Crude No. 1	$554	$358
Crude No. 2	306	206
Spinning fibres	187	112
Magnesia and compressed fibres	138	77
Shingle stock	73	61
Paper stock	37	36
Cement stock	20	22
Floats	11	9

In those six months the average value of what was sold or shipped was $30.44 per ton, as compared with $36.09. The depreciation was 15.6 per cent., whereas the appreciation in output amounted to 16.7 per cent., notwithstanding some of the mills were out of commission for a while.

Some of the reasons for the distressing situation, in which the asbestos industry finds itself, are discussed in another article in this issue. Reference is made there to the companies' claims for government assistance, by way of establishing fixed sales prices for the product and by way of removal of the royalty tax.

Co-operation Between Companies

Quite likely improvement will come from other directions. Co-operation between the companies in fixing production and in controlling sales is bound to come, although difficult to effect to-day. This may be in the nature of voluntary co-operative effort, or it may come as a result of a merger or a series of mergers of the leading producers.

Relief in some small way will come through increased consumption of asbestos in Canada as the manufacturing companies develop new fields and widen their home markets.

It is time that Canadian business men and government officials began to realize what Canada's asbestos means to the country, and what are some of the difficulties under which that industry labors.

True, the industry, as some one has put it, "is running atilt against world conditions." Rhodesia and Cape Town, large producers of asbestos fibre of finer grades than are produced in Canada, are establishing themselves in world markets and making necessary some qualification of the statement that Canada controls the world's asbestos. But Canada is so favorably situated as to markets and has such a highly developed producing and selling organization, that foreign competition alone will not keep the industry in a depressed condition.

Everybody Will Have to Help

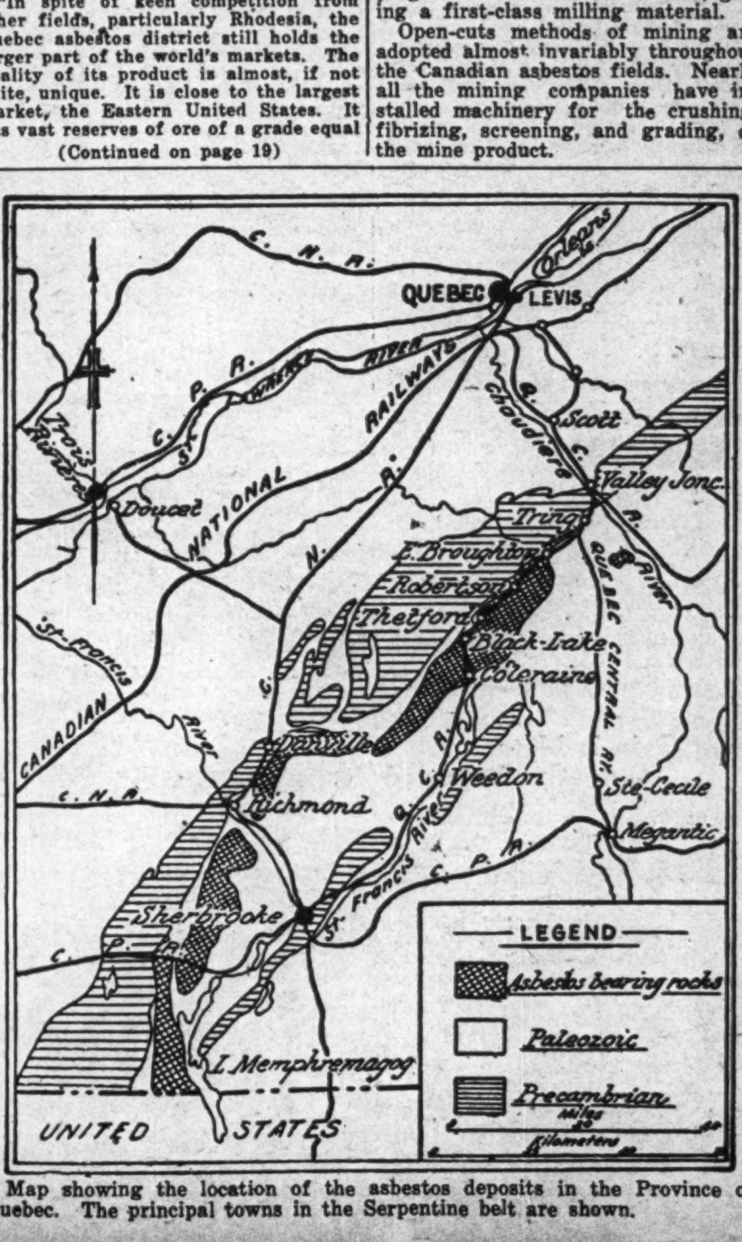
It isn't entirely up to any one group to aright conditions. The government can listen sympathetically, and act where fairer treatment seems necessary; for instance, by preventing price-cutting and "dumping" of surplus production. The heads of the producing companies can get together and sink their differences for the common good, and hold production at a sane level. Business men can study the problems of the industry in order to build up an informed public opinion favorable to any sane action for relief.

Along this line it is interesting that a publication in the mining industry itself put it up to the companies themselves to get together. The Canadian Mining Journal said some time ago.

"Any reasonable and sound measure of co-operation among the asbestos companies, that will eliminate undue competition for markets will benefit themselves, the province and the Dominion.

"In spite of keen competition from other fields, particularly Rhodesia, the Quebec asbestos district still holds the larger part of the world's markets. The quality of its product is almost, if not quite, unique. It is close to the largest market, the Eastern United States. It has vast reserves of ore of a grade equal

(Continued on page 19)



Map showing the location of the asbestos deposits in the Province of Quebec. The principal towns in the Serpentine belt are shown.

How Deep Are Asbestos Deposits of Quebec?

Definite data does not exist as to the exact extent of the deposits of asbestos in the province of Quebec. Some of the mines are now operating as deep as 300 feet; that is to say, they have dug their pits into the ground to that depth, and have extracted asbestos from the rocks at that level. But this depth does not represent the lowest point at which asbestos is known to exist. One of the larger mines has driven diamond drills into the ground a further 300 feet, and have established the fact that asbestos exists in commercial quantities to that depth. As this in itself would give that mine sufficient asbestos to keep it operating for over a century at its present rate of production, no attempt has been made to explore the lower levels, although it is believed that asbestos will be found at great depths, thus insuring a life of many generations to the mines of Quebec province.

Since asbestos was first mined in the province of Quebec, over 2,250,000 tons of a shipping value of more than $100,000,000 has been produced. Most of this has gone to the United States. Only a very small quantity has remained in Canada, and the remainder has been shipped to European countries, the United Kingdom, Germany, Holland, Belgium, etc.

ASBESTOS FOUND IN SERPENTINE ROCK

Short Description of Famous Deposits in the Province of Quebec

The eastern townships of the province of Quebec have for many years been the most productive asbestos mining area in the world. The workable deposits of chief importance are confined to a serpentine belt near Black Lake and Thetford. The serpentine of this belt generally occurs as disconnected masses, but, occasionally, it forms mountain ridges of considerable altitude, notably in the vicinity of Black Lake. The veins of asbestos traverse the serpentine in all directions, and, as a rule, the fibre lies at right angles to the walls of the veins. The veins vary in width from ¼ to ½ inch, and occasionally fibre has been obtained several inches in length. The fibre is of good quality, and well adapted for spinning.

Included in the Thetford and Black Lake area are the East Broughton deposits, where the serpentine occurs enclosed in a highly quartzose slate, probably of pre-Cambrian age. In the Danville area, asbestos up to ½ inch in length occurs abundantly, and the whole of the serpentine is impregnated with fine short fibre, giving a first-class milling material.

Open-cuts methods of mining are adopted almost invariably throughout the Canadian asbestos fields. Nearly all the mining companies have installed machinery for the crushing, fibrizing, screening, and grading, of the mine product.

BIG NEW FACTORY TO MANUFACTURE ASBESTOS GOODS

Canadian Johns-Manville Company Opens Fine Large Plant

SECOND IN CANADA

Asbestos Manufacturing Company at Lachine, Quebec, Also Manufactures Asbestos Goods

Although Canada is the world's greatest producer of asbestos, there are very few factories in Canada manufacturing asbestos products. The last census of industry showed eleven companies only engaged in the manufacture of goods made out of asbestos. When it is considered that this would include roofing manufacturers, makers of brake linings, etc., it will be seen that the asbestos manufacturing industry in Canada has not developed to the same extent as the production of raw asbestos.

This is because the Canadian manufacturer of asbestos products has Canada only as his market, while the producer of asbestos markets his product throughout the world. Manufacturers of asbestos products in Canada meet with high tariffs in other countries, notably in the United States, and, therefore, most of the asbestos shipped out of Canada goes out in the raw or natural state without having first been converted into yarn, or some of the even more finished products.

Canada imported $700,000 worth of asbestos products in 1923, despite our large production of the raw fibre. The comparative record of our asbestos exports and imports of asbestos products is as follows:

IMPORTS INTO CANADA AND EXPORTS OF ASBESTOS, 1922 AND 1923

	1922 Tons	1922 $	1923 Tons	1923 $
Imports—				
Asbestos in any form other than crude, and all manufactures	......	476,408	......	697,319
Exports—				
Asbestos	105,114	5,993,570	137,551	7,628,777
Asbestos sand and waste	56,885	562,223	77,951	931,245
Asbestos manufactures	......	95,826	......	72,498
Total	......	6,651,619	......	8,632,520

One Self-Contained Factory

There is only one Canadian company that produces asbestos in its own mine, and manufactures it into finished articles in its own factory. This is the Canadian Johns-Manville Company, who not only have a fine asbestos producing property at Asbestos, province of Quebec, but also have built a huge new factory which will fabricate asbestos products of all kinds for the Canadian market.

Recently this factory was opened. It has over 200,000 ft. of floor space, which is more than is required for the present needs of the company. However, a great expansion in the utilization of asbestos is expected in Canada, and allowance has been made in the construction of this factory for a steady increase in production. Being located right at the mine, it is hoped that expensive haulage costs on raw material will be avoided. The new plant will make it possible to fulfil all Canadian demands for asbestos products marketed through the Johns-Manville organization from the Canadian plant.

For the present the plant will specialize on asbestos roofing, on asbestos pipe installation, on asbestos packings and asbestos brake linings.

The other plants in Canada manufacturing asbestos products do not operate their own mines, but purchase asbestos from the companies that own mines but not factories.

The Other Canadian Factory

The only other factory in Quebec manufacturing a fairly complete line of asbestos products is that of the Asbestos Manufacturing Company at Lachine, Quebec, founded in 1909, by French-Canadian capital. Asbestos shingles and similar products are manufactured.

Both of these factories will find their chief market in Canada. Asbestos Manufacturing Company has done a certain amount of export business, and has agents in many American centres. Millions of shingles have been furnished by the company for the reconstruction of the devastated areas of France. The Canadian Johns-Manville Company plans to export from its Canadian factory, but in limited amounts.

British Industries Oppose Russian Treaty

LONDON.—In the opinion of the Federation of British Industries, the draft treaties recently negotiated between representatives of His Majesty's government and of the Union of Soviet Republics are not of such a character as to promote British trade with Russia, or to restore satisfactory commercial relations between the two countries, contain articles calculated to prejudice British commercial relations, both with Russia and other countries, and in general represent a surrender of rights and principles which are essential to the welfare of British industry. They, therefore, trust that these draft treaties will not be ratified.

Asbestos Boom When Quebec's Serpentine Areas Uncovered

World Had Known Asbestos Before Canada Became a Producer, But This Country's Production Made Wide Commercial Use Feasible

By FLOYD S. CHALMERS,
Eastern Editor, THE FINANCIAL POST.

Asbestos, "the fibre everlasting," is so much a part of a daily life that it is hard to realize that it is only about fifty years since it began to be extensively used. Now asbestos products in some form are used in every household. The furnace pipes are covered with asbestos sheathing; the roof may be shingled with asbestos slates; there will be asbestos pads on the dining room table and behind the kitchen stove; asbestos insulation around the electric wiring; perhaps asbestos wall board between the rooms, and asbestos brake linings in the family Ford. The uses of asbestos in industry are even more varied and amazing.

This development has come in the past half-century, since the asbestos deposits in Canada were discovered. It is said that of all the asbestos that has been used in the world in recent times, about 90 per cent. has come from Canada.

This does not mean that asbestos is a new discovery. Only that the wide number of uses of the mineral have been developed in recent years.

"The Funeral Cloth of Kings"

The ancient Romans found asbestos in the Italian Alps and in the Ural Mountains. They were not long in discovering that asbestos could not be burned, and used it for the manufacture of cremation cloth. These cloths are necessarily rare and costly, and Pliny, the Roman writer, referred to asbestos as "the Funeral Cloth of Kings."

Marco Polo, in his travels in the thirteenth century, discovered asbestos in Siberia, when he found that the Tartars had a strange rare cloth that resisted fire.

Charlemagne, king of the Franks, served a banquet on table covers made of asbestos cloth, and astounded his guests by holding the cloth over the braziers to clean them.

As years went on, the knowledge of the existence of asbestos lapsed entirely, and we hear no more of asbestos until about 1720, when it was rediscovered in the Ural Mountains, and an asbestos factory was set up by the great emperor, Peter I., of Russia. Even this industry disappeared in time.

Company in Napoleon's Time

It was not until about the year 1788 that the idea was revived in Northern Italy that asbestos might be turned to useful account, and some experiments were then carried out in Lombardy which were to a certain extent successful, and earned for two enterprising citizens concerned some distinction from Napoleon I. Intense political disquietude, however, prevented further development, and for a number of years asbestos, although of some interest to mineralogists and geologists, was not regarded as of much practical or commercial value.

It was the discovery of asbestos in the province of Quebec that really gave the first great impetus to the advancement of the asbestos industry. Canadian asbestos was exhibited in London, England, in 1862, but not until 1878 was there any serious attempt to mine the serpentine rocks of Southern Quebec. As a matter of fact, it was a fire that brought asbestos to the fore. A fire swept over the district of Thetford and Coleraine, destroying the over-burden of brush and trees and uncovering the vast asbestos deposits. The next year the first 50 tons of asbestos was shipped to London where it created a sensation.

The First Big Proftis

Development was rapid. Villages sprang up as if by magic. By 1885 there were seven quarries, and 1,400 tons of asbestos yearly was being shipped. Some of the companies made excellent profits. In 1888 the Bell Mine declared a dividend of 23½ per cent.

British capital had been invested to a considerable degree. One company. that had secured control of Italian deposits, was offered a third share in one Quebec mine for a small cash payment. The offer was spurned, as the English people had a profound faith in the superiority of Italian asbestos. The mine that was thus turned down became the richest and most famous asbestos property in the world, the Johnson's mine. The Canadian succeeded, however, in interesting the late John Bell, the founder of Bell's Asbestos Company. To Mr. Bell belonged the distinction of being the first to succeed in spinning Canadian asbestos, a process which through collaboration with an expert firm of Lancashire cotton spinners—Messrs. Turner Brothers—was ultimately developed to a state of perfection. Mr. Bell's asbestos factory in Southwark Street being in those early days unequal to the demands made upon it—the British Admiralty having, through Mr. Bell's efforts, adopted asbestos packing for use in the navy—he concluded arrangements with Messrs. Turner Brothers under which they undertook to manufacture asbestos goods to his requirements for a period of years. In course of time this arrangement came to an end. Bell's Company also acquired important asbestos deposits at Thetford—known as the Bell Asbestos Mines—adjoining and second only in value to Johnson's Mines above referred to. These Bell deposits were afterwards acquired by an American company, the future requirements of Bell's Company having been otherwise provided for.

The early condition of prosperity approached a boom condition. and there was in time a reversal of prosperity. Prices of asbestos dropped. and the industry languished, in time to grow more steadily and soundly to its present position of strength.

To-day, the annual tonnage of asbestos produced in Canada is tremendous. In the year 1920, nearly 180,000 tons of asbestos, and another 20,000 tons of asbestic came out of the Quebec field. This represented a value of $15,000,000 in all. This was the peak year, but, even in 1922, when prices were as low as they have been for many, many years, Quebec province had a return of over $6,000,000 from its asbestos areas.

LENGTH OF FIBRE DETERMINES RANK OF RAW ASBESTOS

Canadian Chrysotile-Asbestos Has Necessary Qualities

USES OF ASBESTOS

Wide Flexibility of Material Lends it to Numerous Economic Uses

To be of commercial value, asbestos needs length and fineness of fibre, combined with infusibility, toughness, or tensile strength, and flexibility. The Canadian chrysotile-asbestos possesses all the above mentioned properties and qualities in a marked degree, the length of the fibre being one of the principal factors determining the different grades. In mining, the broken material undergoes a hand-sorting process, which is different in every quarry, according to the grades to be produced and the ground worked. Where no crude or hand-cobbed fibre is produced, all the rock containing fibre, together with the fines, is sent to the mill.

A new process, on which considerable experimental work has been done during the past season, is to be introduced in the asbestos field. This is known as the "wet," or selective treatment process, in contrast with the hitherto universally used dry treatment for recovering the fibre from the ore. For this purpose a plant, with a capacity of 25 tons per hour, is to be built at Thetford Mines.

Many Uses of Asbestos

A material of such flexibility naturally lends itself to a wide range of industry. Its special value as an insulating material has been, however. mainly responsible for its widespread use.

Yarn made of pure asbestos fibre of the highest quality is woven into cloth. This cloth is then made into fireproof theatre curtains, wall coverings, curtains and other products. It is also coated with rubber and used for gaskets, sheet packing, etc.. for high pressure steam systems. One of the most important uses for the highest grade of fibres is in the manufacture of brakes for automobiles, hoists, elevators, etc.

Mostly Short Fibres

The greater part of the fibres are of short length and are known as mill stock, which is utilized in the manufacture of mill board, paper covering, etc. Large quantities of asbestos-cement shingles and asbestos lumber or wood are being used to-day in the building industry.

One of the principal applications of asbestos is as an insulating material to prevent the radiation of heat from pipes, boilers, tanks, etc. Practically every locomotive has its boiler blanketed with asbestos. As an electrical insulator, asbestos has many uses, especially in the manufacture of switch boards and fittings. When made into board, asbestos is used for joint packing for steam pipes, cylinder coverings, etc. Enormous quantities are used for lining oven doors, etc., in the stove industry.

Many uses are found for the mineral. in the form of household conveniences, such as table mats, iron holders, etc.. in which form it is more intimately known by the general public.

Suffered After War

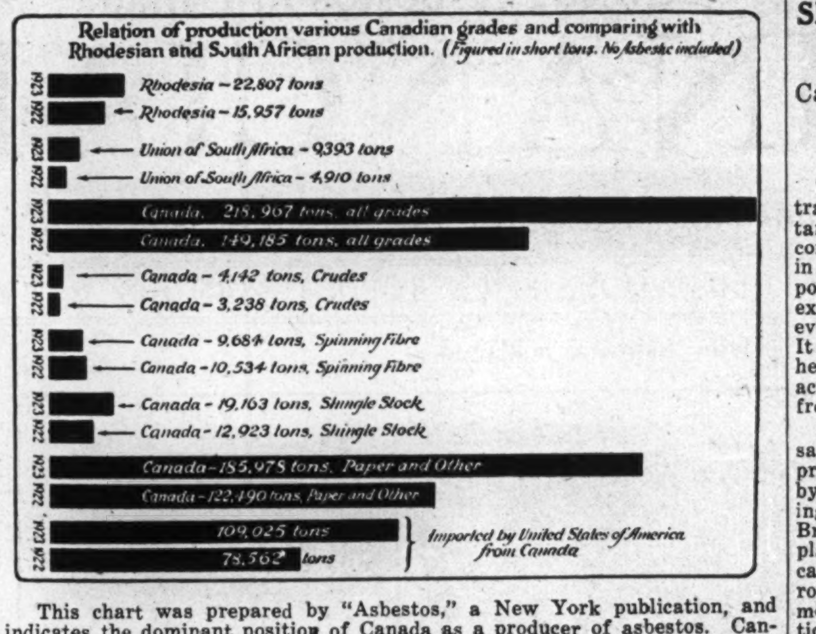
Asbestos mining suffered as other mineral industries did in the period of stagnation of business following the war. Indications; however, point to a general revival of activity in production. One of the larger companies has erected a factory for the manufacture of asbestos products and what has hitherto been an anomalous position for Canada is about to be remedied—that of supplying the world with asbestos while importing her own requirements of asbestos products.

Some Gain in Motor Output is Reported

NEW YORK.—The slight gain in motor output in the past three months has caused more optimism in motor trade circles than has existed since early spring. Although the increase has not been rapid, the conditions under which the improvement has been made are significant. Production for the third quarter averaged over 240.000 passenger cars monthly, against 278.000 in the second quarter and 324,000 in the first quarter.

BUYS HORSES FOR RUSSIA

MAPLE CREEK, SASK.—A representative has been appointed in this district for the purchase of horses for Russia. It is expected that the first shipment will move about the end of October and will go via Montreal or New York.



This chart was prepared by "Asbestos," a New York publication, and indicates the dominant position of Canada as a producer of asbestos. Canada's production is compared with that of Rhodesia and South Africa and the disposition of the Canadian production is also indicated.

What a Layman Visitor Sees in an Asbestos Town

It Seems That it is Always Snowing, But That is Only the Asbestos Fibre Afloat in the Air — Rude Shock When Blasting Comes at Midnight

By J. RIELLE THOMSON.

In the asbestos towns it is always snowing. No; not real snow, but an incessant drizzle of gossamer fibres, which heat most certainly cannot melt. This continual shower comes from the asbestos mills plying night and day in their efforts to supply the ever-increasing demand for the raw material which has become so large a factor in the development of the province of Quebec, and which is responsible for the bulk of the mineral revenue of the province.

The mineral, asbestos, can only be mined in a rock formation which is geologically known as the serpentine. This belt extends from Gaspe as far south as Virginia, but mining is only economically possible in one place—the eastern townships of Quebec; in other parts of the belt the ore is not of a high enough grade to warrant its extraction as a paying proposition. The asbestos district stretches for some 50 miles, and is largely situated on the Quebec Central Railway about midway between the cities of Sherbrooke and Quebec.

It Is An Interesting Country

To the stranger, this country seems to consist of a series of paradoxes. On the one hand the names of the towns, roads, and inns, are English, whilst on the other, the inhabitants are French. This portion of Canada is one of the oldest parts to be settled by English pioneers, but now one rarely hears any language but French. Again, the countryside is one of the most beautiful in Canada, faintly reminiscent of England, with its long vistas of field and wood which slumber on the hillsides. The only interruption is by the rude rattle of the pneumatic drills working in the pits, for asbestos is really quarried, and not mined in the usual meaning of the word, although several of the companies have done a certain amount of underground work.

Here the hills slope gently to a good height, but their size and beauty suffer considerably in comparison with the huge, vile, man-made hills of mill tailings. At night, after dinner, it does not take long for the town to settle into somnolence. As one gets into bed and drops off to sleep, it is with a feeling of relief at missing the accustomed roar of the city. Suddenly, a series of deep shattering blasts, your bed shakes, the windows rattle, and the building quivers on its foundations. Visions of earthquakes and Armageddon come to your sleepy mind, and it takes an appreciable time to awaken sufficiently to remember the host's warning that blasting in the pits takes place three times daily, 11.30, 5.30, and, unfortunately, at midnight.

The Asbestos Towns in Brief

As one steps off the train in a typical asbestos town, if the wind is not strong, one meets the inevitable dust floating in the air, and sees the buildings with their coat of grey—even the trees and grass take on the universal tinge. This dust nuisance, although not dangerous to health, is being gradually overcome; the companies are always effecting improvements in their dust-collecting apparatus. Often in the very centre of one of these towns it is surprising to come on an immense pit. Imagine a crater hewed out of bed-rock. 900 feet long, and as deep as a forty-story building, so deep that the miners working below are barely noticeable. These are the asbestos mines. The commonest method of taking the rock out is by means of cables stretched across the top of the pits, on these in turn run pulleys with large iron buckets attached. These buckets are continually moving up and down, and their contents are received by waiting cars which are run to the mill, often by electricity. Some mines, though, are able to lay rails to the foot of their pits, and steam locomotives haul the rock directly to the mill.

With the long-fibred ore there is no milling process; it is simply hand-cobbed and shipped. but with the lower grades the rock goes to the mill where it is broken by immense crushers into a fine sand and passed to tables underneath large funnels. These funnels work on the principle of the vacuum cleaner, the asbestos fibres, being light, are drawn up by the air, while the rock passes to the tailing heaps. The asbestos is collected from the air pipes by screens—a small percentage always escapes and deposits itself on the countryside at large, irrespective of male attire or Paris creations. Before shipping, the crude product is graded according to the length of its fibre. The longer and more expensive lengths go to making textiles and other materials, whilst the shorter are used in the manufacture of shingles, paper and those products which require no tensile strength.

With so large a quantity of rock being milled daily, it is something of a question to know how to dispose of the tailings. One company has built up a large plateau about 100 feet higher than the surrounding country; laid on top are the rails where electric locomotives are rushing back and forth hauling more and more waste rock. These immense grey hills spring up at intervals throughout the whole asbestos district.

When Asbestos Outcrops

In many places one finds the outcrops of the mineral, which appears in the rock as green veins. These veins vary in width from mere threads to over 12 inches, and have a greenish, translucent appearance; when rubbed their fibres lose their crystal formation and turn into a soft, white down, which, to the touch, is much like talc, and lends itself well to spinning.

SPANNING DISTANCE WITH A CATALOGUE

Can be Made an Important Factor in Developing Foreign Trade

The effective catalogue for export trade is one that will span the distance between the producer and the consumer, writes Thomas A. Wilson in the United States "Commerce Reports." It must give the consumer the exact picture of what he wants and every minute detail as to how to get it. It must convince the purchaser that he can obtain the goods that will exactly meet his requirements only from the publisher of this catalogue.

For these reasons it must be a sales maker and not an illustrated price list, and it must be dominated by that one purpose—to sell. A mining engineer in the hills of Rhodesia, British South Africa, or a sugar planter on the island of Mauritius cannot always go to an agency showroom. The catalogue giving him the most complete and detailed information will bring the order. The type of people appealed to must be remembered in revising a catalogue, as an engineer is interested in portability and ease of working, while a merchant pays attention to packing, price, credit, and time of delivery. All of them are interested in the results to be obtained by using the article and the conditions under which it can be used.

The prestige of the firm can also be strengthened by including pictures and facts about the plant and personnel. The important facts, giving the experience and training of the personnel and the mechanical and other factors that will aid in the efficient production of the goods, will impress the potential customer. Above all, give details on how to order. Extra letters asking for information only cause unnecessary delay and friction. Use good paper and clear illustrations that are exact reproductions of the article offered. An order sent from across the seas means a great deal of trust in the producer. Do not weaken this trust by false presentations.

Shares of Coniaurum Mines, the Coniagas enterprise operating Goldale, Newray and Armstrong-Booth, may shortly be called for trading on Standard Exchange at $3.25.

Write us on your explosive problems

Northern Explosives
LIMITED
MONTREAL

Wheat Pools Cannot Stem Supply and Demand Law

MONTREAL.—A word of advice to Western farmers was given by W. A. Black, vice-president and managing director of the Ogilvie Flour Mills Company, at the company's annual meeting. Mr. Black pointed out that great care would be necessary in handling wheat pool operations. He said:

"Ever since the days of the wheat board, many of our western farmers have felt that better prices might result to them from a similar method of handling their wheat, and 'wheat pools' with quite large memberships have been formed in the three western provinces. My personal view is that, generally speaking, the law of supply and demand must on the average prevail and a deviation from this natural law may ultimately have the reverse effect to that which it is hoped to obtain. The hope for the success of the 'pools' seems mainly to have been based on results obtained by the Wheat Board, which, however, operated at a time when there were only a few buyers representing all wheat importing countries, and about the same number of selling organizations which were formed by the governments of exporting countries. Conditions are quite changed now, buyers and sellers having returned to those methods in use before the great war. Feeling, however, that our farmers are entitled to a full and fair trial of the 'pool' marketing system, we are according them every possible assistance in the way of financing, storing, handling and shipping, through our many elevators, in an endeavor to make the results to them the best obtainable under the circumstances. It will, of course, be necessary for the 'pool' managements to exercise great care in their operations, more particularly so in view of the high prices prevailing for wheat in Canada as compared with the United States."

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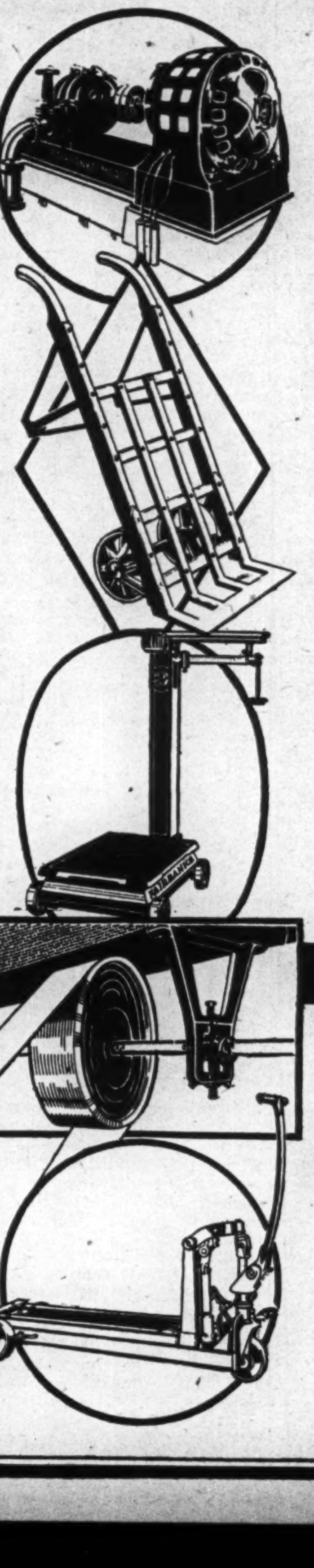

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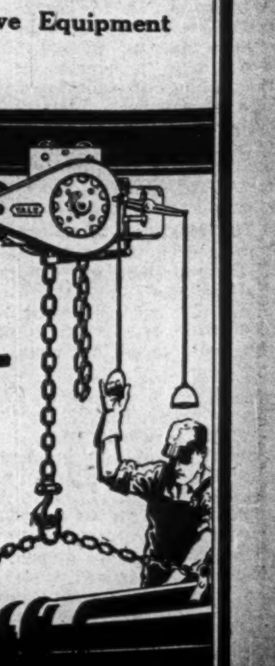

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ASBESTOS IS CUT OUT OF QUARRIES MUCH LIKE STONE

Mineral is Not "Mined" in Same Way as Gold

THE REAL STUFF

Good Asbestos Has Silky Green Fibres Between Layers of Solid Crystal Rock

Asbestos is found in serpentine rocks.

The Laurentian serpentines, species of greenish-colored rock which bear the same affinity to asbestos that quartz does to gold, are largely confined to the eastern townships of Quebec, from Southern Vermont to Gaspé, the area covering parts of the townships of Bolton, Orford, Brompton, Melbourne and Danville. The famous Thetford-Black Lake belt covers parts of the townships of Ham, Wolfestown, Coleriane, Thetford, and Broughton. Most of the big producers in the way of quarries are located in that region, though new territories are constantly being promoted, and some bright indications are said to exist in Northern Ontario. The big companies already have such huge areas in Quebec producing No. 1 fibre that only an exceptional find elsewhere would attract capital into new fields. Credit for the discovery of asbestos in Quebec is quite generally given to a French-Canadian named Fecteau, though there are other claimants for the honor.

How Asbestos is Mined

Though the pits from which asbestos is taken in Quebec are usually referred to as mines, they much more resemble gigantic rock quarries, and, as a matter of fact, the garnering of asbestos for commercial purposes is carried on along much the same principles as rock-quarrying. The mineral is blasted from the parent rock in blocks and swung out of its native haunt with derrick and traveling cranes. These blocks are broken up into fragments by machinery, and then what is known as the "cobbing" process begins. This consists of breaking the asbestos fibre from the adhering serpentine, work done by hand, usually by juvenile employees at the mines. After being cobbed, the crude asbestos is packed for shipment to the factories.

Although some of the Quebec operators have underground workings, following the asbestos veins by means of tunnels or shafts sunk into the mountain, the majority of the quarries are operated on the open-pit system. There are advantages and economies to both systems, and each has its individual champions. Veins of asbestos vary in thickness from quite thin strips to four inches. That from the thicker veins is classed as grade No. 1, whilst the product of the thinner veins is classed No. 2 and No. 3. The latter grades are valuable for making mill-boards, boiler and pipe coverings.

Preparing the Finished Product

After its arrival at the factories from the mines, the long fibre is put through carding machines, and the short fibre is made into pulp, from which mill-board and sheet asbestos is rolled. The long fibre after coming from the carding and condensing departments in the form of straight threads, passes to the spinning and doubling departments, where the process of twisting takes place. From there it goes to the weaving and braiding departments, where it is made up into cloth, tape and yarn. The cloth is, for certain purposes, proofed with rubber. The yarn spun from asbestos has a textile strength of forty pounds and upwards.

In appearance, a block of crude asbestos resembles a fragment of odd-colored rock with a fleecy fibre clinging to it. An executive with one of the big companies operating in Quebec was showing a member of the staff of MacLean's Magazine various specimens from the mines, as well as prospectors' samples. Picking up a solid-looking chunk, the executive broke away a sliver about the thickness of a pipe-stem. This he handed to the writer.

"Put it in your mouth and chew it," he suggested. Not without certain misgivings as to the effect on his teeth, the writer complied. To his surprise the tasteless sliver of rock that had looked so hard and insoluble soon became a pulpy mass of silky fibre that, after a few moments of rubbing between the fingers, fluffed out like a ball of soft wool.

"That's how it's done," explained the asbestos man. "In a small way you have just now gone in for the manufacture of asbestos. To complete the process, all you'd have to do would be to card and spin the fluffy stuff you hold in your fingers."

Among other samples of the mineral shown the magazine writer was a strikingly beautiful bit of serpentine rock, in color a golden-green, with changing lights that flickered like many-colored crystals. The fibres stood up in it like sprays of spun grass.

"No good—utterly no good," smiled the asbestos man. "It's low-grade asbestos, so full of other minerals, that it would be next to impossible to refine pure asbestos from it. Yet that is the very sort of serpentine that fools inexperienced prospectors for asbestos just the same as the glitter of pyrites deceives the novice prospecting for gold. Our head office is constantly in receipt of samples of this nature sent us by enthusiasts who are certain they have staked an asbestos bonzana."

Testing of natural gas wells in Alberta for helium commercial values has been carried on during the past summer by the mines branch of the Dominion government.

WHAT ARE WE GOING TO DO ABOUT THE ASBESTOS INDUSTRY ?

(Continued from page 17)

to that now being worked. It can, if it is allowed, hold the field against all comers. Excessive competition among Canadian producers will not aid the industry; it will result merely in robbing the mines of their best grade of ore and presenting it at a reduced price to our neighbors in the United States and to other buyers overseas.

"There is plenty of competition from without to induce energetic and efficient management. What is most needed at present is unity within the Quebec asbestos industry, and the strength that union brings.

"A united Canadian asbestos industry can do a great deal more than drive a shrewd bargain with buyers; it can increase its profits in other ways. The principal mines lie in a congested area at Thetford Mines. Some of the properties have inadequate surface rights while their neighbors have land to spare. In other cases party walls are a nuisance. Mining and hoisting equipment is duplicated in adjoining pits, where a single set would serve the combined pits. There are numerous comparatively small crushing plants and mills, where a smaller number on a larger scale would treat the ore at lesser cost. Each of the present companies must maintain a complete office and selling staff. Last, but most important in our eyes, it is only the present state of disunion among the asbestos companies that has prevented a thorough-going, fundamental research into asbestos production — a research that must be undertaken and carried through before Canada will reap the full benefit of these wonderful deposits of asbestos ore."

With private and governmental steps taken, Canada is likely again to get the return in dollars and cents that its asbestos industry ought to produce and investors, in turn, will get higher dividends.

CONTINUOUS TARIFF CHANGES HURTFUL

Canada has just completed a new trade treaty with the Netherlands whereby that country comes under the favored nation clause. Incandescent lamp manufacturers are aroused over this. Hardware and Metal quotes, an official of Canadian General Electric on the situation. He says:

The continuous changing of the tariff was having a very unsettling effect upon the trade. Retailers are watching the government's tariff action very closely, looking for any changes which might result in lower prices on certain of their commodities. This was said to be helping maintain a hand-to-mouth buying policy.

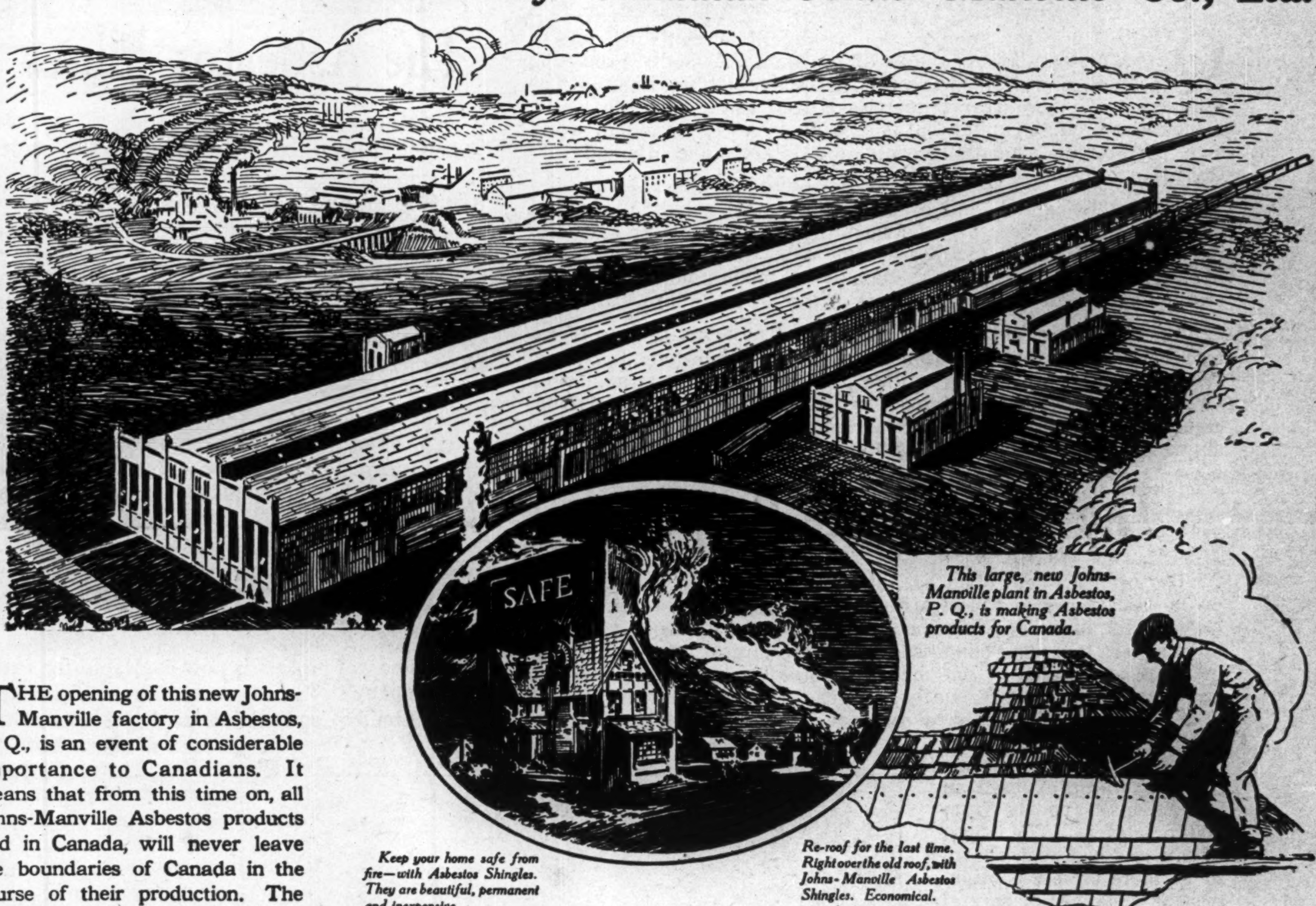
In electric lamps Canada last year imported finished bulbs to the extent of 50 per cent. of the value of the Canadian production. These came chiefly from Netherlands, Belgium, France and Japan. Attention was drawn to the fact that in 1913 a treaty was made with Japan by which the lowest existing tariff rates were to be extended to that country. The result is an increasing volume of Japanese lamps and other hardware arriving direct at Canada's Pacific ports. This official was of the opinion that many customs officers have overlooked the passing of that treaty in 1913 and are unaware that the present "favored nation" rates now being established will apply equally to imports from Japan.

Another dangerous tendency was the fact that Belgium, being an ally during the war has not had her currency declared depreciated. For this reason, while the Belgian franc is still at a low figure, an advantage is being extended through this depreciated currency in its foreign trade. This, coupled with the fact that the elimination of the Canadian Marking Act by the present government removes the necessity for practically all imports being marked with name of country of origin, provides an opportunity for other countries of depreciated currency to circumvent the customs obstacles which have been raised against them by the Canadian government. Imports from Germany, for instance, have to be valued at the equivalent worth in the United Kingdom, unless there is no equivalent, when a separate valuation is made by customs appraisers. The German, Austrian or other manufacturer can now take advantage of the situation by shipping to Canada through a country such as Belgium, providing there is no identification on his merchandise.

A new CANADIAN factory

to Manufacture Insulating Materials, Fire-proof Roofings and Shingles

from Canadian Asbestos by Canadian Johns-Manville Co., Ltd.



This large, new Johns-Manville plant in Asbestos, P. Q., is making Asbestos products for Canada.

Keep your home safe from fire—with Asbestos Shingles. They are beautiful, permanent and inexpensive.

Re-roof for the last time. Right over the old roof, with Johns-Manville Asbestos Shingles. Economical.

THE opening of this new Johns-Manville factory in Asbestos, P. Q., is an event of considerable importance to Canadians. It means that from this time on, all Johns-Manville Asbestos products sold in Canada, will never leave the boundaries of Canada in the course of their production. The mining, *manufacturing* and sale of Johns-Manville Asbestos in Canada becomes entirely a Canadian proposition.

This new plant, covering 4½ acres, and developing 2500 horse-power, is situated right beside the Johns-Manville Asbestos mines. Thus expensive haulage costs on raw materials are eliminated. This saving will be passed along to Canadians in the shape of remarkably low prices.

In addition to this, the new Johns-Manville plant provides more work for Canadian labor, quicker deliveries to Canadian dealers, and a greater service to Canadians everywhere.

Hold your car in leash—with Johns-Manville Asbestos Brake Lining. Brakes are safer and last longer with Johns-Manville Asbestos Brake Lining.

Now Asbestos Roofing at the same price as ordinary roofing

This new plant makes it possible for you to get Johns-Manville Asbestos Roofings at the same price as ordinary roofing materials. And you know that there is no roofing material with the advantages of Asbestos. It is fire-safe, it is weather-tight, it cannot rot, dry out or corrode. It is permanent. It is the most economical roofing you can buy—because it is low in first cost, and seldom, if ever, needs maintenance expense.

Johns-Manville Asbestos Shingles can be laid right over the old wooden shingles at a great saving of time and money. And you have re-roofed for the last time.

Johns-Manville Asbestos Roofings include Rigid Asbestos Shingles, and Flexstone Asbestos Shingles for homes; Asbestos Ready Roll Roofings for sloping roofs of industrial buildings; and Asbestos Built-Up Roofings for flat roofs.

Asbestocel Pipe Covering

Johns-Manville Improved Asbestocel is the most efficient pipe-covering per dollar of cost that you can buy. Cover the heating pipes in your house with it. Not only will you save a great deal of fuel every winter but your house will always be more comfortable because Improved Asbestocel carries the heat, with the minimum loss, to the upstairs rooms where you need it.

Power Plant Materials

For high pressure steam lines in industrial plants Johns-Manville Asbesto-Sponge Felted Insulation is especially desirable because it is less liable to breakage, has longer life and higher efficiency than any other insulation.

Johns-Manville packings, insulations and high temperature cements, are based on Asbestos and its allied products. They are preventing fuel waste in plants everywhere and saving thousands of dollars every day. There are places for many of them in every industrial plant in Canada.

* * *

Other Johns-Manville products include: Industrial Flooring, Architectural Acoustics, Asbestos Textiles, Automotive Equipment, Boiler Insulations, Refractory Cements, Packings, Housline, Asbestos Wood, Corrugated Roofing and Siding, etc.

CANADIAN JOHNS-MANVILLE CO. LTD.
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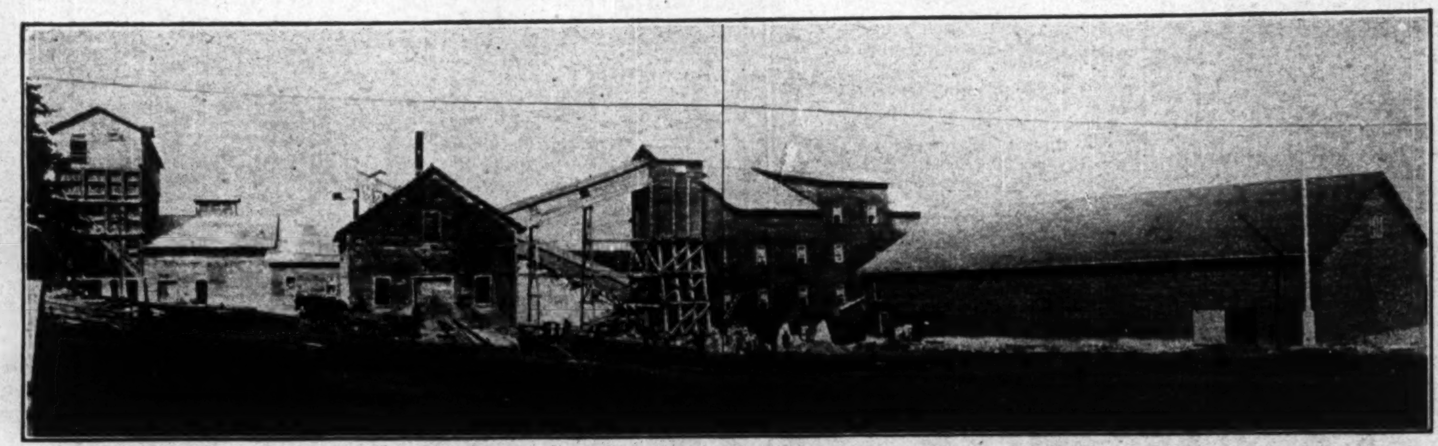
CANADIAN JOHNS-MANVILLE Asbestos Products



View of mill at Asbestos Mines property

Giving the World Asbestos

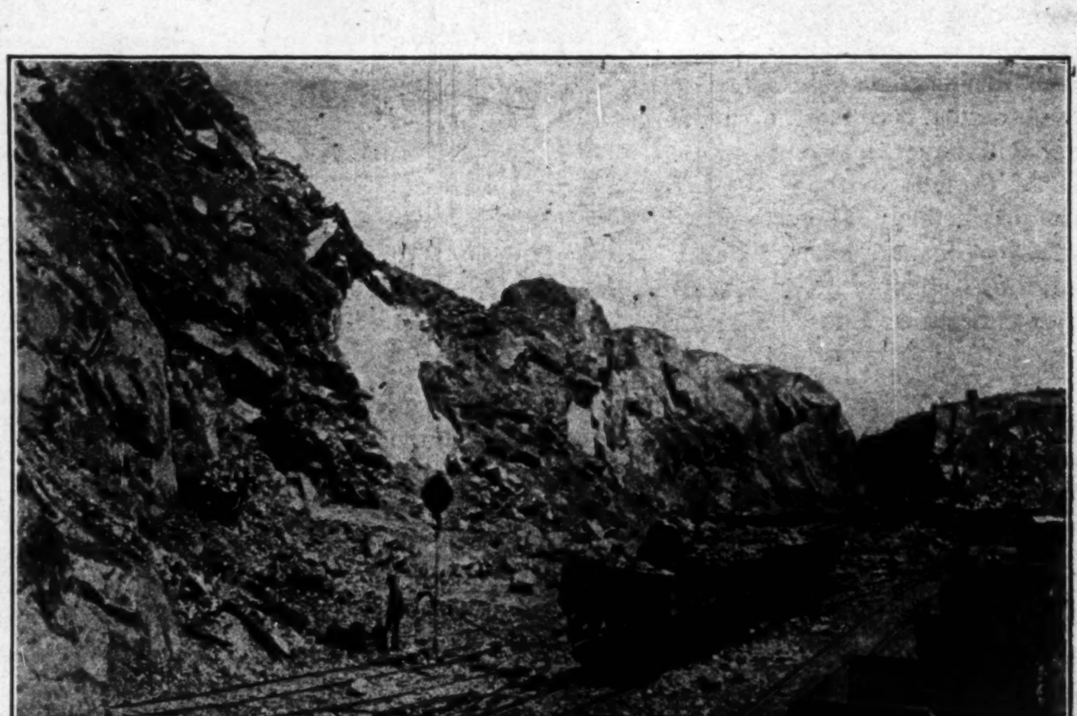
QUEBEC province supplies the world with nearly 90 per cent. of its asbestos. Two of the leading Quebec Asbestos producing properties are joined together in Asbestos Mines, Limited. The production of these two properties is sold throughout the world, bringing to Canada capital that is paid in wages to Canadian workmen, taxes to the Canadian people and interest and dividends to Canadian investors.

At East Broughton and at Black Lake this company operates asbestos properties that have between them a daily mining and milling capacity of 2,100 tons of serpentine rock. The rock is cut out of open quarries and carried to the company's modern mills, where it is crushed and treated for the removal of the asbestos fibre.

Asbestos Mines controls, by license, the new wet process of extracting asbestos that has been developed by Selective Treatment Limited, and purposes to utilize this method of extraction on its properties. Tests have proven that this method of treatment increases the value of the production from each ton of rock or ore by anywhere from 50 per cent. to 200 per cent.

The Black Lake Property

The property controlled by Asbestos Mines at Black Lake is one of the best known and most historic of the asbestos producing properties of the province of Quebec. The property extends over some eight square miles and comprises one of the largest contiguous areas of asbestos operated by one management. The property, consisting entirely of serpentine formation, stretches from Coleraine to Black Lake, province of Quebec, a distance of approximately six miles. Asbestos ore bodies in this field are massive in character, the width exposed in various bodies being from 200 to 600 feet. The length of ore pits has been shown to be more or less continuous for distances of several miles. Three deposits only in the total area owned by this Company are analyzed in the report of G. L. Burland, Consulting Engineer. The aggregate tonnage of ore allowed is 15,000,000 tons. This tonnage of ore when milled by the Selective Treatment Wet Process should yield $51,700,000 at a total operating cost of $28,470,000, which gives an operating profit of $23,370,000. Approximately twenty-five years will be required to treat this tonnage of ore with mills of the given capacity of 120 tons of ore per hour.



One of the company's asbestos pits. This one is at Black Lake

The Asbestos Mines Property

In addition to controlling the Black Lake property just described, Asbestos Mines, Limited, owns in fee 350 acres. The present quarries are approximately 5,000 feet from the mill and the ore is transported to the mill by a gravity aerial tramway at a cost of 3½ cents per ton. The aggregate tonnage of reasonable assured ore allowed is 2,000,000 tons. This tonnage, when milled by the Selective Treatment Wet Process, shows a yield of $8,600,000 at a total operating cost of $4,640,000, which gives an operating profit of $3,960,000. Approximately 14 years will be required to treat the above tonnage of ore with a mill of 30-ton capacity per hour.

The two properties represent a combined book value of $6,273,915.24. The plant, buildings, machinery, equipment, development and improvement represent a cost of reproduction, after deducting all depreciations, of $1,496,588.73. (This does not include the mineral or land values.)

The Selective Treatment Process

A new wet process is now available for extracting asbestos from the company's ores. Tests have been conducted by Selective Treatment, Limited, against many of the present mills in the Canadian field. These tests have proved increases in total values to be possible, ranging from 50% to 200%. The principle involves replacing the high velocity of machines by units which preserve the original length of the fibre. The value of a mill's production is dependent largely upon the length of fibre produced. Asbestos Mines Limited has contracted for a license to operate its mills under this new wet process.

Plans are in hand that have as their aim an enlargement of the scope of operations of Asbestos Mines Limited, in order that this company may take an even more important rank among the asbestos producers of Canada.

ASBESTOS MINES, LIMITED

MONTREAL

Branch Offices: Paris - Hamburg - Yokohama

WOULD CENTRAL MARKETING GROUP AID IN ASBESTOS?

New York is Leading Market for Canadian Asbestos Fibre

No one city has the asbestos market. In pre-war days it might have been said that New York was the American market, and Hamburg the European market, for the mineral, but the war shut off the industry's two largest customers, Germany and Austria, and New York obtained the lead. To-day most of the selling is done direct. Though there is always a market in New York, many of the larger Canadian corporations do not even maintain an office there, but ship direct to the States, England, Holland, Belgium and France.

Asbestos falls into three general classifications, and the designations used for shipping are Crude, Fibre and Sand. Crude is the highest quality; it has been hand-cobbed, and not passed through the mill. Fibre is an arbitrary name applied to all fibres which have passed through the mill. It resembles coarse raw cotton. Sand constitutes the residue of the mill's production, and is shorter than those grades which are classed as fibre.

Before buying Crude or Sand, the purchaser usually obtains a sample, but asbestos fibre is sold on test. This test is now universally carried out on a "Standard Testing Machine," which has developed with the industry.

How Test is Made

The test is conducted with a one-pound sample of asbetsos, representing the average grade of the shipment. This is placed in the machine, which consists of three trays placed horizontally, one underneath the other. The whole affair is agitated by a motor for exactly two minutes, and the shipment is graded according to the number of ounces which remain in each tray. The openings in the trays vary, the closest or finest screen being the lowest one, and the widest being on top.

Market requirements cover length, color, and chemical composition, the most important specifications being the length and strength of the material. The length is important, as brake linings and textiles require the longest grades, whereas insulating materials, such as boiler cement, artificial flooring, and stucco, use shorter material. Many of the mines do not classify their material alike, or sell on the basis of the same test, so that one mine may make, say, a paper stock that will prove, upon being tested. to be considerably different from that made by a neighbor. This discrepancy in classification cannot be blamed on the companies, as in no two mines is the supply precisely alike. Especially noticeable is this at the Black Lake and Thetford Mines, two towns situated but six miles apart, but having a decided variation in the color of the fibres. Color, however, is not a prime factor except for a few of the manufactured products which require a base of white asbestos, whereas even a small variation in the strength of the material will affect prices.

Would a central selling organization help the companies and the buyers of the raw product? Certainly. It would help buyers, as grading would be standardized, but what of the companies? Some of the operators at present feed their own foreign factories. Only the grades which they themselves manufacture are used, others are simply treated as by-products to be dumped on the market for what they will bring. This is but one factor which prevents the operators from getting together to obtain a slightly higher price for their low-grades. Even a small advance in the lower grades would make the difference between profit and loss for some of the companies, for it is only on the lower grades that Canada controls the market.

What of the Future?

Those close to the Canadian operating companies say that for the present there seems to be no chance of obtaining inter-company co-operation, whilst others seem to think that eventually they will be forced into some agreement. In the meantime, new uses are constantly being found for the mineral. In the past, these new uses have not been of sufficient importance to cause any radical change in the demand, but who can even hazard a guess at what future uses such a versatile mineral as asbestos may be put? Although temporarily discontinued, one Canadian producer established a fellowship at the Mellon Institute, University of Pittsburgh, for the furthering of present knowledge, and the discovery of possible future uses of asbestos.

Millions of Cars Have Canadian Asbestos Bands

The development of the automobile industry has opened up new uses for asbestos. There are estimated to be 18,023,584 motor vehicles in the world, of which 88 per cent., or 15,092,177 are in the United States. Canada has 642,571; the United Kingdom 642,853. These figures include both passenger cars and trucks.

In the United States, New York has the highest registration—1,204,213 in 1923. California comes second with 1,100,283; Ohio third, 1,069,100, and Pennsylvania fourth—1,043,770. Most of these cars have brake bands of Canadian asbestos. In the United States there is one motor vehicle to each seven persons; Panama, C. Z., has one to every ten persons; Canada, one to every thirteen; Hawaii, one to every fifteen; the United Kingdom, one to every seventy-four; Germany, one to every 453; France, one to every ninety-three; Belgium, one to every 133; Australia, one to every 44.

EXTENSIVE TESTS OF NEW TREATMENT

Selective Treatment is a Wet Method of Extracting Asbestos Fibre From the Rock

Extensive tests are being made in Canada of a new method of extracting asbestos.

The selective treatment process for asbestos has been under development for several years, and is distinguished from the milling processes in use in Canada, in that the ore is treated in water instead of by dry methods. After working out the principles of the process for about two years on a laboratory scale, the Selective Treatment Company built a semi-commercial plant at Thetford Mines, Que., in order to further develop the process, and to compare the extraction with that obtained by the mills at present in use. These tests are said to confirm the results previously obtained in the laboratory, and indicate that the production value can be more than doubled by the selective treatment process. In some cases, the recovery value was about four times that obtained by the dry mills.

A company is now being organized to exploit the new process on a broad scale in connection with some mines, now using the dry process.

In the new process, the Canadian Mining Journal sees a forward step in the ironing out of the problems of the Quebec asbestos industry. It says: "The recovery of the ore is stated to be much greater by the wet method, and it is also claimed that more of the long fibre remains and the long pieces are not so much cut up as by the dry grinding. This new departure will be watched with keen interest, for not only does it form a basis for a number of the scattered companies to amalgamate, but in these days, when there is a danger that the Quebec asbestos industry may be threatened by competition from Rhodesia and elsewhere, it gives another advantage to the industry in the province of Quebec. Any advance in technical work is to be welcomed, and it is to be hoped sincerely that this new process will prove as successful in commercial practice as it was in the experimental laboratory."

ONTARIO HAS HOPES AS ASBESTOS MINER

Stated to be Some Promising Deposits in Deloro Township in Northern Ontario

In the past all Canadian asbestos has come from the serpentine belt in the province of Quebec. However, there is the possibility that an asbestos-producing industry may be built up in Northern Ontario, and some promising trial shipments have been made from the serpentine areas of the Northern Ontario gold fields.

In Deloro township, there are some promising deposits. At the Bowman asbestos mines some 60,000 pounds of No. 1 crude asbestos has been shipped. Preparations are being made for the erection of machinery for separating the fibre, it was recently reported.

The significance of these shipments is the more marked when it is considered that the asbestos industry is not now in the same prosperity that has marked some previous periods of its history. Prices are not at all high, and, if the Ontario asbestos producers can succeed in building a market and an industry under present conditions, they have assurance of permanently establishing themselves.

ASBESTOS MINES ASK GOVERNMENT AID IN PROBLEMS

(Continued from page 17)

ating at any cost, in the hope of some salvation offering, or, perhaps, with the idea of worrying the stronger ones into some solution of the problems of the industry, makes it prohibitive, even if it were advisable or desirable to deal with these companies. And then there is one of the important companies that has refused to co-operate with the others in any way.

Co-operation between the companies, being regarded as impossible, the mines look to the government to intervene by control production and that would control production and prices. It is felt that, if prices can be set for the sale of asbestos, the dumping activities of the American-owned mines would cease.

The mines have also asked the Quebec provincial government to abolish the royalty tax. This was at one time 5 per cent., but about a year ago it was reduced to 2½ per cent. Asbestos producers consider even this amount confiscatory. As none of the mines are making a profit, except the Asbestos Corporation, it will be seen that the taxes, in some cases, must necessarily be paid out of capital. The asbestos producers claim that this taxation is probably the most drastic on any industry the world over, and they state that it is retarding the development of the province's other mineral resources through fear of similar treatment.

Just what will be the final solution of the complex problems of the asbestos industry is hard to say. Federal and provincial assistance would be a long step in the direction of curing the evil, the asbestos men think. They ask, especially, assistance in establishing prices at which the product may be shipped out of the country. This would place all producers, both American and Canadian companies, and both miners and consumers, on the same basis, and would be of immense benefit, they claim, to the province and the country, let alone the mining companies. It is pointed out that this has been done by the British, German and Italian governments. It would enable Canadian companies to compete with other countries in the grades that come in competition with Canadian products.

GASOLINE FIRM IN ENGLAND

LONDON.—Further gasoline price cuts, after reduction of 3½d. on September 4 and 1d. on September 15 in the London area, are unlikely in the immediate future, according to F. E. Powell, president of the Anglo-American Oil Co. Present prices are at rock bottom, he added.

Growth of Asbestos Production and of Canadian Exports

PRODUCTION OF ASBESTOS IN CANADA

Year	Asbestos Tons	Asbestos Value	Asbestic Tons	Asbestic Value
1880	380	$ 24,700	.....	.....
1881	540	35,000	.....	.....
1882	810	52,650	.....	.....
1883	955	68,750	.....	.....
1884	1,141	75,097	.....	.....
1885	2,440	142,441	.....	.....
1886	3,458	206,251	.....	.....
1887	4,619	226,976	.....	.....
1888	4,404	255,007	.....	.....
1889	6,113	426,554	.....	.....
1890	9,860	1,260,240	.....	.....
1891	9,229	999,878	.....	.....
1892	6,082	390,462	.....	.....
1893	6,331	310,156	.....	.....
1894	7,630	420,875	.....	.....
1895	8,756	368,175	.....	.....
1896	10,892	423,066	1,358	$ 6,790
1897	13,202	399,528	17,240	45,840
1898	16,124	475,131	7,661	16,066
1899	17,790	468,635	7,746	17,214
1900	21,621	729,886	7,520	18,545
1901	32,892	1,248,645	7,325	11,114
1902	30,219	1,126,688	10,197	21,631
1903	31,129	915,888	10,548	13,869
1904	35,068	1,154,566	13,087	13,006
1905	50,670	1,486,359	17,594	16,900
1906	59,283	1,970,878	20,127	17,230
1907	62,018	2,482,984	28,519	22,059
1908	66,548	2,555,361	24,225	17,974
1909	63,349	2,284,587	23,751	17,186
1910	77,508	2,555,974	24,707	17,629
1911	101,393	2,922,062	26,021	21,046
1912	111,561	3,117,572	24,740	19,707
1913	136,951	3,830,909	24,135	19,016
1914	96,542	4,892,266	21,031	17,540
1915	111,142	3,553,166	25,700	21,819
1916 (sales)	133,439	5,199,797	20,710	29,072
1917	135,502	7,183,099	18,229	47,284
1918	141,462	8,936,804	16,797	33,993
1919	136,765	10,909,452	22,471	65,917
1920	179,891	14,749,084	19,716	43,559
1921	84,478	5,199,789	12,397	14,536
1922	160,339	6,053,068	16,011	15,403
1923	216,804	7,364,260	16,171	17,794

EXPORTS OF CANADIAN ASBESTOS BY COUNTRIES OF DESTINATION, 1922, 1923 AND 1924

	1922		1923		1924	
Asbestos	Tons	Value	Tons	Value	Tons	Value
Great Britain	2,288	$ 311,357	2,827	$ 261,725	3,761	$ 260,791
United States	47,178	2,397,609	82,652	4,578,470	112,355	5,546,769
Australia	75	5,438	25	6,000	340	17,700
Austria	201	23,600	.....	......	400	30,000
Belgium	2,222	235,451	5,331	355,916	6,530	358,115
France	1,863	285,997	3,361	267,728	5,256	439,886
Germany	3,815	537,443	5,866	666,404	6,129	572,498
Italy	230	32,100	438	36,966	868	82,380
Japan	2,026	152,780	3,991	229,152	7,583	295,844
Netherlands	3,319	410,667	620	70,349	276	21,265
Other countries	49	528	745	10,295	1,064	17,136
Total	63,287	$4,397,332	105,336	$6,486,340	143,718	$7,640,923
Sand and Waste	Tons	Value	Tons	Value	Tons	Value
Great Britain	21	$ 189	270	$ 3,064	1,497	$ 25,605
United States	24,376	235,151	60,235	607,727	81,737	994,500
Other countries	70	4,900	225	13,630	220	15,675
Total	24,446	$ 235,868	61,250	$ 621,086	84,298	$1,037,241

WORLD'S PRODUCTION OF ASBESTOS, 1913, 1918-1922

(Long tons)

Country	1913	1918	1919	1920	1921	1922
Canada	118,361	128,086	136,669	178,190	82,822	146,166
Southern Rhodesia	259	7,655	8,696	18,823	19,528	14,248
Union of S. Africa	859	3,280	3,512	7,112	5,122	4,384
Australia	.....	3,034	1,790	825	.....	561
Cyprus (exports)	1,168	228	1,331	800	801	.....
India	.....	357	388	1,818	316	.....
New Zealand	......	....	....	2	.....	.....
China	......	239	68	5	13	.....
Finland	......	....	33	252	750	.....
Germany	......	....	12	28	.....	.....
Italy	172	59	96	162	413	492
Philippine Islands	......	69	369	....	.....	.....
Russia	17,218	....	....	1,454	2,651	4,837
Spain	......	....	....	....	19	.....
United States	982	891	1,036	1,471	742	24

ASBESTOS PRODUCTION, FIRST HALF OF 1924

The production of asbestos in Canada during the first six months of 1924 was 104,872 tons valued at $3,192,132, as against 99,042 tons worth $3,574,762 in the corresponding period of 1923. The asbestos rock mined during the half year amounted to 1,663,560 tons, of which quantity 1,401,208 tons, or 84 per cent., was milled.

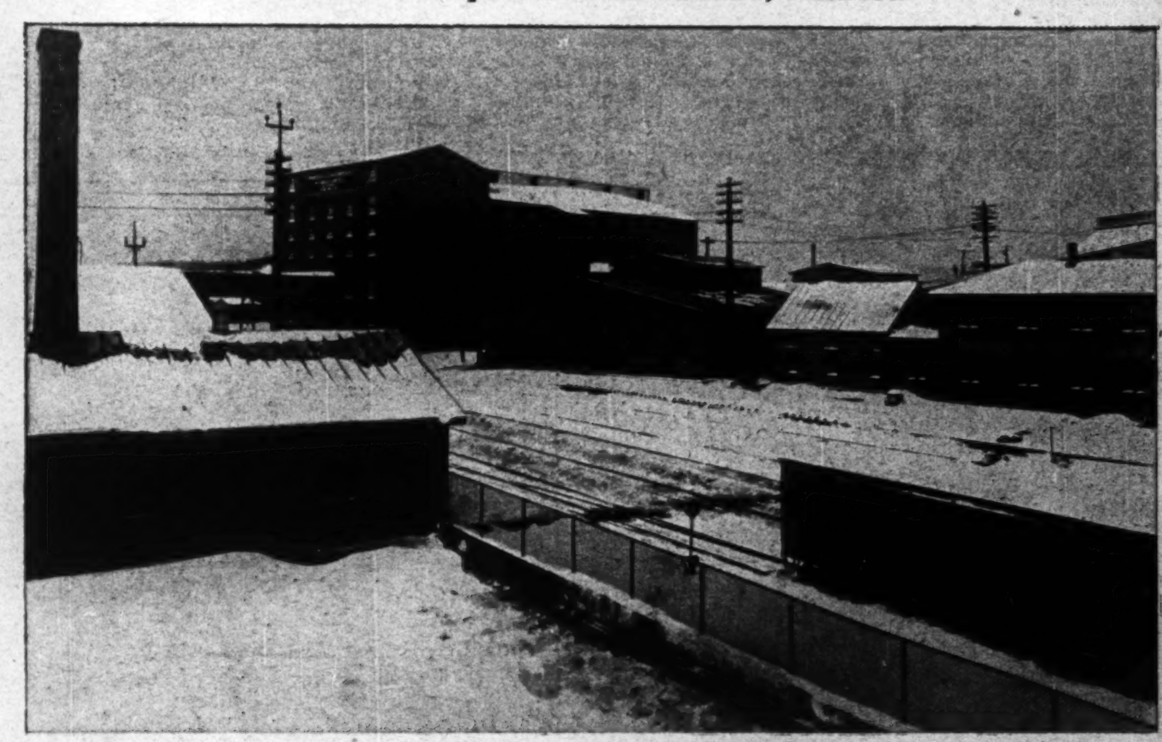
According to customs records, the exports of Canadian crude asbestos during the first half of 1924 totalled 56,820 tons worth $3,258,267, and waste to the amount of 39,416 tons valued at $508,897 was also exported.

Output, Sales and Stocks of Asbestos in Canada, January 1 to June 30, 1923 and 1924

Classification	1923 Quantity Tons	1923 Value $	1924 Quantity Tons	1924 Value $
Crude No. 1	319	153,476	539	203,441
Crude No. 2	1,936	484,470	1,478	310,557
Fiberized Crude	.....	......	27	5,312
Spinning Stocks	6,598	833,956	4,645	505,172
Shingle Stocks	11,680	585,541	8,845	427,429
Mill Board Stocks	2,996	87,989	9,412	304,721
Paper Stocks	30,528	952,885	27,556	864,695
Paper Fillers	24,946	357,069	30,791	436,957
By-Products (asbestos sand, finish floats)	20,039	119,376	21,579	133,848
Total	99,042	3,574,762	104,872	3,192,132

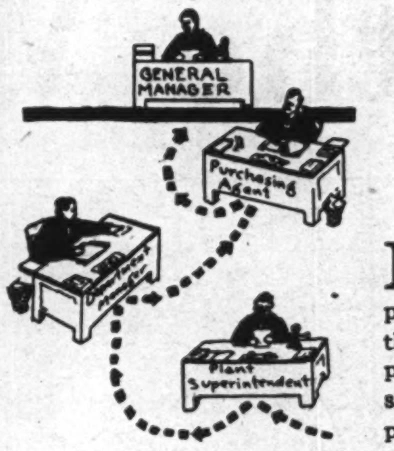
NEW MILL AT THETFORD MINES

Asbestos Corporation of Canada, Limited



The new mill, built by the Asbestos Corporation of Canada, Limited, at its biggest mine, the Kings property, is the finest in the asbestos producing district around Thetford Mines. It is built of steel and brick.

The new mill was opened for operations in February, 1923.



The Path of a Sale

DID YOU ever follow the path of a sale through a big corporation? Your salesman sees the plant superintendent, or department manager and finally the purchasing agent. He sells them all and sits back for his order.

But the sale is not yet made.

The proposition goes a step further and waits upon the decision of the man higher up, the general manager, or perhaps the board of directors. Success or failure for your efforts rests with him. You can only expect a favorable decision if the general manager himself is sold. The chances are that your salesman has never seen him, and might have great difficulty in seeing him.

To make certain always of the final O.K. from the man at the top you have to keep the key men in business and industry continuously sold on your proposition.

It is a good investment in sales insurance to tell your story to important Canadian business men from coast to coast through the columns of the Financial Post Through the Post you can reach more business leaders than through any other Canadian publication. You can get your sales message across to the man at the end of the sales path.

Sell the man who has the final say. Sell him by regular advertising in his paper—The Financial Post.

THE FINANCIAL POST

TORONTO 143 University Ave. | **MONTREAL** Southam Bldg. | **WINNIPEG** Confederation Life Bldg.

LONDON, ENG. 88 Fleet Street | **NEW YORK** 1606 St. James Bldg.

Canada's Financial Authority—and more

The Financial Post is more than Canada's leading financial and investment publication. It reaches not only financial men and investors but manufacturers and business men and gives them the vital information they need. The fact that it has the largest paid circulation of any business paper in Canada indicates its acceptance as Canada's authority on business.

THE FINANCIAL POST IS A MEMBER OF THE AUDIT BUREAU OF CIRCULATIONS

A. S. Johnson, First to Mine Asbestos and is Still Busy

Few People Outside of the Industry Know Him, But He is One of Canada's Wealthiest Men—Owes it All to His Boyhood Perspicacity

By J. RIELLE THOMSON.

"As a lad, I used to see the asbestos in the rocks, and I wondered if ever a time would come when I might work the deposits," said A. S. Johnson, in explaining how he became the first man to develop the immense deposits with which the eastern townships of Quebec are so richly endowed. Although the presence of the mineral is first mentioned in the geological commission's reports of 1847, it was not until 1876 that Johnson, then a lad in his 'teens, first commenced commercial development.

At this time, Johnson lived with his father, the postmaster at Thetford, P. Q. When help was required with the mails, he helped; when the family's lumber business needed an extra man, he had the job, but all the while he kept his eyes on the asbestos outcrops, which still are seen in this portion of the province. It may have been the prospector's blood that flows in his veins, or nothing but boyish curiosity or cussedness, more likely the latter, but he kept right on thinking of the mineral and asking everyone if they knew a buyer for it. He went to his brother, his father, and to the occasional traveler, but no one knew of any uses for this "woolley rock."

Finding Buyers for the Rock

One day, as he helped his father with the mails, his eye lighted on the postal guide—that was enough. Immediately letters were dispatched to all parts of the world asking if asbestos was used, and what demand there was for the mineral. Despite his youth, Johnson was probably a pioneer not only in the asbestos industry but in the advertising field in Canada. He says, "Oh, yes; I advertised then, and I've not had to do any since."

Soon the replies began to come in; pour in, probably suits the facts better, and Johnson, assisted by his brother, immediately commenced to blast out the asbestos rocks. He has been blasting ever since, and still heads the oldest, in fact, the original producing asbestos mine in Canada.

In the early days, the shipments had to go 16 miles by oxen, but the advent of the Quebec Central Railway in 1878 facilitated development.

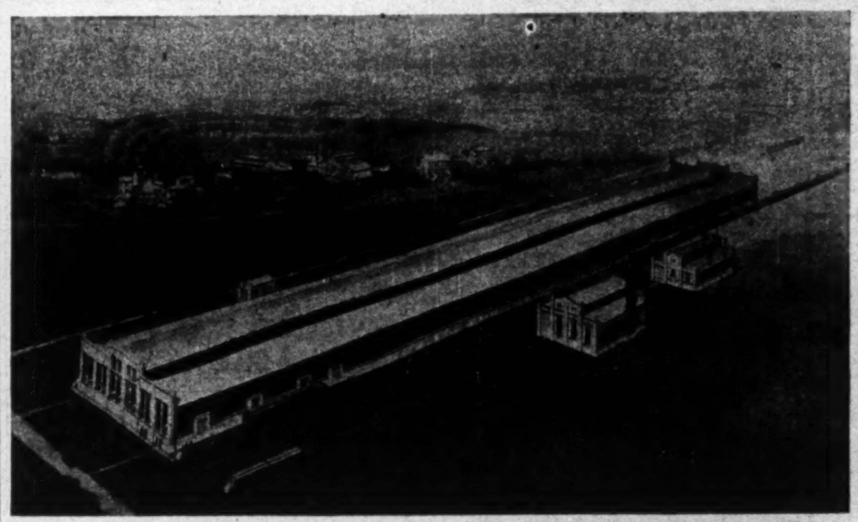
From then on things should have gone easily for the two brothers, but others saw the boys making what seemed to be easy money, and competition commenced.

Early Troubles of Asbestos Mining

Knowing that the boys did not own the land on which they were working two partners decided to get in on this bonanza, and started working on the Johnson claims. Through some flaw in the early law with regard to mineral rights, the boys were unable to put them off without buying the land outright from the government. There was only one thing to be done—Johnson did it, and, what is more, did it quickly. Sufficient capital was raised in the city of Quebec to allow the boys to buy their holdings. The difficulties attending the raising of funds by a backwoods' boy in a city are better imagined than described. Anyway, he got the capital, and Johnson's pit to-day stands on the site of the brothers' first workings.

Seated on his verandah at Thetford, where he still lives, Mr. Johnson said to me that competition was certainly keen to-day, but "Thank goodness, that kind of competition is over."

Johnson's mine is still one of the richest asbestos properties in the world, and A. S. Johnson is one of Canada's wealthiest, if least known, millionaires.



Modern Plant for Asbestos Products

A modern plant for the manufacture of asbestos products, which is an indication of the growing importance of the whole asbestos industry.

Cuban Slaves Found Stone That Wouldn't Burn

Cuban slaves, years before asbestos was known commercially, knew and spoke of a material "something like stone that did not burn." They held it in awe, believing that "because it did not burn, it must come from hell."

Recently the descendant of the owner of the estate on which the slaves were employed, a Mr. Barrie, being somewhat interested in asbestos, recalled this tale which was told him by his father, and decided to go to the spot and look it over. He found it "laying all around the ground, on top of a stone" that we call "green serpentine."

Later, Mr. Barrie took some men and did a little excavating work, and he reports having found a better grade of fibre, although they only dug down about 20 feet.

The material, however, of which we have a sample, is of the amphibole type.—"Asbestos."

BOOT AND SHOE PRODUCTION

OTTAWA.—The number of pairs of boots, shoes and slippers made in Canada during 1923 was 18,067,300, an increase over the previous year of 873,094 pairs. The total value production for 1923 was $45,690,697, an increase of $186,839.

The Quebec Central "Boston Express" emerging from the Quebec Bridge.

Giving the World Asbestos

ASBESTOS

During the past forty years the Quebec Central Railway has handled an aggregate of three million tons of asbestos of a total value of One Hundred and Eight Millions of Dollars being approximately 90% of the world's consumption of the material.

The principal shipping stations are Thetford Mines, Black Lake, East Broughton, Robertson and Coleraine on the main line of the railway between Sherbrooke and Quebec.

Going to every corner of the globe, Canadian asbestos in every way fulfils the world's need of a fireproof fibre.

The Quebec Central management appreciates and esteems the confidence that the asbestos interests have shown in the road which it will endeavor to retain by its fullest co-operation and a continuation of the best possible service.

Industrial Opportunities

The Quebec Central Railway operates through the most productive section of the Province of Quebec, the territory being noted for its agricultural and industrial activities. Its affiliation with the Canadian Pacific Railway and close working arrangements with all Canadian and American railway systems ensures most favorable transportation conditions and service to the markets of the world.

In addition to the very desirable locations for asbestos manufacturing plants, there are splendid opportunities for further development in copper, chrome ore, lime, cement, flagstone, granite, soapstone, marble, brick, lumber, pulp and paper.

The Hydro Electric Power of the Shawinigan, St. Francis Hydraulic and Southern Canada Power Companies is available over the entire line.

The Quebec Central Railway by its geographical position and close working arrangements with the United States railway systems practically forms a trunk line between the St. Lawrence River at Quebec and New York, Springfield, Boston, Portland and all New England points. Through Pullmans and coaches with dining car service are operated daily between Quebec and Boston and New York and a through Pullman parlor car service during the summer season and a connecting coach service during the winter season between Quebec and Portland.

Further information will be gladly furnished on request.

Quebec Central Railway

General Offices : Sherbrooke, Que.

GERMAN KAISER'S PORTABLE HOUSE ASBESTOS BUILT

Uses of Mineral Have Achieved Great Variety and Importance

INDUSTRIAL NEEDS

Asbestos Plays an Important Part in Nearly Every Activity of Business Life of To-day

The commercial uses to which asbestos is put are so many that leading manufacturers take up huge catalogs in enumerating them. Asbestos in this age plays a leading part in almost every kind of construction, structural and mechanical, from steam engines and ice-houses to aeroplanes and their hangers. The modern electric lifting magnet, whose giant labors convey hundreds and thusands of tons of pig iron from the holds of our great lake carriers to the steel docks, would never have been possible without asbestos, the only material which could withstand the fearful heat generated by the opposing poles of the magnet. Likewise asbestos is indispensable for the brake lining of automobiles, and its use is universal where superheat or high voltage electricity have to be harnessed and controlled.

Even the flames of the sun and the arc of the lightnings must halt when they come in contact with this mysterious grey material fibre whose existence is said to measure back to the beginning of time.

Nearly everybody knows the uses to which asbestos is put by steam-fitters and plumbers, and the part it plays as a non-conductor in lining the boilers of steam engines, insulating electrical installations, and covering the pipes in ice-making plants, not to mention the catastrophes it has averted where it has been used as a fire-proof curtain in theatres. Not so many, however, know that shingles and material for building the walls of dwellings are now manufactured from asbestos. The shingles, besides being fire-proof and otherwise indestructible, may be made up in any color or design, while the siding can be wrought into so close an appearance to stucco that only close inspection would reveal the difference.

Corrugated asbestos sheathing is beginning to take the place of corrugated iron for all kinds of industrial buildings. With asbestos, the first cost is the last cost. There is no cost of repainting nor of replacement to be charged to the balance sheet.

The many uses of asbestos lumber are gradually becoming better realized, and whole houses have been built of asbestos. The ex-kaiser of Germany, famous for his safety-first precautions, had built for his own use a portable cottage made exclusively of Canadian asbestos. It contained suites for himself and his staff, and was capable of being put up or taken down in a few hours' time, having double walls with hot air circulating between them when the weather was chilly or damp. The ex-kaiser's asbestos house was built before the war when Germany was a heavy importer of Canadian asbestos, and cautious Wilhelm used it whenever he attended military manoeuvres, confident that if the rest of Germany burned up in the night his own skin would escape the scorching.

Asbestos in the Mines

Incidentally, complete suits of asbestos—hoods, coat, gloves, trousers and boots are used by glass-blowers and workers around superheated furnaces, where the human body must be protected from white-hot fluids. At one time the life of Charles Chaplin, famous motion picture comedian, was saved by an asbestos undergarment. Chaplin, in a scene in "Vanity Fair," was to have been singed with the flame from an acetylene blowtorch, and he wore the asbestos garment to protect himself. By accident, Chaplin stumbled against the torch and immediately his clothing took fire from head to foot. The asbestos undergarment protected him from burns that would possibly have proved fatal, his assistants putting out the flames by wrapping him in wet blankets. A few years ago, a newspaper despatch from Mexico City told of an attempt which was being made by firemen to reach one of the burning oil wells at Amatlan to shut off the valve regulating the oil flow, the firemen advancing under the protection of a huge shield made of asbestos.

An imitation leather is among the novelties made from asbestos. It is waterproof and fireproof, and is manufactured under enormous pressure from a combination of pure asbestos and vulcanized rubber. Other little-known uses to which asbestos is put are the making of asbestos powder for making fireproof paints, washers for miners' safety lamps, reinforcement for auto tires, asbestos rope ladders for fire escapes, asbestos putty for fireproof constructions, asbestos cement for use in chemical works and electrical installations, asbestos filter-cloth for water-filters where the destructive actions of acids and alkalies has to be resisted, trinket and deed boxes, and even asbestos writing paper.

In addition, there is the well-known asbestos "fuel" for gas stoves—the familiar, egg-shaped, perforated fire-balls, and asbestos table mats, used for protecting the table from scorching by hot dishes placed upon it.

The fire-eating qualities of asbestos immediately suggest its uses for manufacturing paper for deeds and important documents, but satisfactory results in that direction are not on record. The chief difficulty is experienced in making the surface of asbestos paper glossy and smooth for writing and printing purposes. The manufacture of asbestos mill-board, however, has become a very important branch of the industry, and that of asbestos paper for structural and insulating purposes is many times larger still. It has a very wide use in electrical machinery, in the construction of dynamos, in tubes and elbows for turning corners, for accumulator casings, in motors, switchboards, and a great variety of electrical appliances.

Many of these asbestos products are made in Canada, and more will be made domestically. The uses to which this mineral may be put are just beginning to receive recognition, as it is but recently that builders and others have realized the real economy which it provides.

A Mineral—or a Vegetable

Scientists do not appear to be entirely agreed as to the origin of asbestos, but nowadays it is pretty well conceded that it is a mineral and not a vegetable growth on the serpentine. Technically, the serpentine from which asbestos is extracted and manufactured is described as hydrated silicate of magnesia. It contains twelve per cent. of water, with varying proportions of iron, chromium, manganese, alumina and lime. The smaller quantity of destructible mineral asbestos has with it, the more valuable it is, because in the manufacture all those foreign elements must be purified from it; otherwise it would become a partial conductor of heat and electricity, and be void of the virtues of which it is so highly esteemed by engineers, scientists, and master builders.

Looking at a bit of raw asbestos, one is amazed how few of its possibilities are presented, and can scarcely realize that it can be woven into cloth. It has been aptly called the "physical paradox," being both fibrous and crystalline, elastic and brittle. It is older than anything in the animal or vegetable kingdoms of this earth; but so little has it been affected by the passing of time that unnumbered centuries, during which mountains have collapsed and crumpled to dust, great seas have evaporated and left desert sand prairies in their places, and one human civilization after another has passed into the discard of eternity—these aeons of metamorphoses and decay have had no appreciable effect on asbestos.

Was It Found by Accident?

They say once it is manufactured it never reverts to its former solid formation like a crystal. Boyd, the British investigator, however, in a geological report on the subject, declares he has witnessed the phenomenon of serpentine rock being transformed into asbestos fibre by the aerial elements. This phenomenon, he says, is to be seen on the dumps near the mines where the "cobbed" or discarded rock is exposed, the transformation taking a couple of years.

It may have been thus—by accident, which has brought so many useful discoveries and inventions to mankind—that the fibre in asbestos was first noted, and, later, employed

LINE-UP OF MINES; DATA ABOUT EACH LARGE PRODUCER

Asbestos Corporation Operates Four Mines; Three Now Working

There is a compartively small group of asbestos mines in the Quebec area. Some particulars of the principal producers are given here:

Asbestos Corporation of Canada

A Canadian corporation owning four mines, the King and the Beaver, at Thetford, the British-Canadian, at Black Lake, and the Fraser Mine at East Broughton. The latter is closed at present.

The company is widely known to investors, and its shares are listed on the Montreal Stock Exchange.

Its financial record for the past three years is here shown:

Capitalization—

	Authorized	Outst'ding.
Common	$3,000,000	$3,000,000
Pref. 6% part. .	4,000,000	4,000,000

(Preferred ranks equally with the common after 5% per annum has been paid on the common).

1st mortgage sinking fund 5% bonds, due 1st July, 1942. Redeemable at 105 and interest on any interest date. Interest payable 1st Jan. and July, $2,784,700.

Dividends—

Preferred 6% pay. 15 Jan., April, July and Oct. 4% paid for 1916 and 1917; 5¼% paid for 1918, 6 plus 2% paid for 1919; 6¾ plus 2% for 1920; 7% paid for 1921 and 1922. Reduced to 6% Sept., 1923. Common, pay. same dates as pfd., 5% plus 2% paid for 1919; 5¾ plus 2% paid for 1920; 6% paid for 1921 and 1922. Reduced to 4% Sept., 1923, and passed, Dec., 1923.

Properties—

Mines are located at Thetford Mines and Black Lake, Que.

Profit and Loss Account—

(Year ending Dec. 31st)

	1923	1922	1921
Net prof. after renewals and betterm'ts	$552,330	$879,286	$893,058
Exhaustion of minerals .	......	194,300	199,800
	$552,330	$684,986	$693,259
Bond int. .	150,000	150,000	150,000
	$402,330	$534,986	$543,259
Pref. div. .	260,000	280,000	280,000
Com. div. .	120,000	180,000	180,000
Balance . .	$ 22,330	$ 74,986	$ 83,259
Earned on common .	4.74%	8.49%	8.77%

Stock Exchange Prices—

	Com. H	Com. L	Pfd. H	Pfd. L
1923	72½	26	90½	59¾
1922	73½	44	90	74
1921	82½	36	95	65
1920	103	64	108	94⅞
1919	91¼	44	103	61¾
1918	46½	15	62¾	45
1917	20	12	53	44¾

Officers—

W. G. Ross, pres.; Wm. McMaster, vice-president.; R. P. Doucet, mgr.; J. T. McCallum, sec.-treas.

Directors—

W. G. Ross, Wm. McMaster, C. W. Colby, M.A., Ph.D.; H. J. Fuller, W. C. Finley, J. W. Cook, K.C.; H. E. Mitchell.

Asbestos Mines

A purely Canadian corporation operating their mine at East Broughton and controlling the Black Lake Asbestos and Chrome Company, which is at present shut down.

The Asbestos Mines property is 350 acres in extent, and is estimated to contain 2,000,000 tons of ore. The Black Lake property is 781 acres, and ore is estimated to total 15,000,000 tons.

These properties are involved in present negotiations for a large merger.

Asbestos Quarries

A small Canadian company which has recently been changed into the Canadian Asbestos and Chrome, Limited. The plant is at Coleraine, and work has been carried on intermittently during 1924.

Bell Asbestos Mines

This company is owned by Keasbey and Mattison, big asbestos manufacturers of the United States. It was one of the earliest of the mines to be worked, and is a very rich property. It is at Thetford Mines, beside the property of the Asbestos Corporation.

Bennett-Martin Asbestos and Chrome Mines

This company's mine at Thetford is closed, as a voluntary assignment was made at the beginning of this year. It is rumored that re-financing negotiations are under way, and that operations will be resumed at an early date.

Canadian Johns-Manville Company

This company's mine at Asbestos, P. Q., has been producing steadily during the year. A large plant has been built and has recently commenced operations at Asbestos, for the manufacture of products from the raw material produced at the mine.

Consolidated Asbestos

The Federal Asbestos Company at Robertsonville, P. Q., is also owned by this company. The Consolidated owns a mine at Thetford. Both properties have operated steadily throughout the year, and are run with Canadian capital. The company is controlled by Sir Mortimer Davis.

Johnson's Company

A privately-owned Canadian company which has two mines, one at Thetford, and the other at Black Lake. Only the former has operated this year.

Maple Leaf Asbestos Corporation

Operating one property between Thetford and Black Lake. Believed to be partly controlled by Canadain capital, and partly by American capital. Opened in 1920, and has made steady progress to present important position.

Pennington Asbestos Company

This company's mine at Robertson is closed.

Quebec Asbestos Corporation

An American company operating two properties at East Broughton. It it interlocked with manufacturers of the finished product in the States.

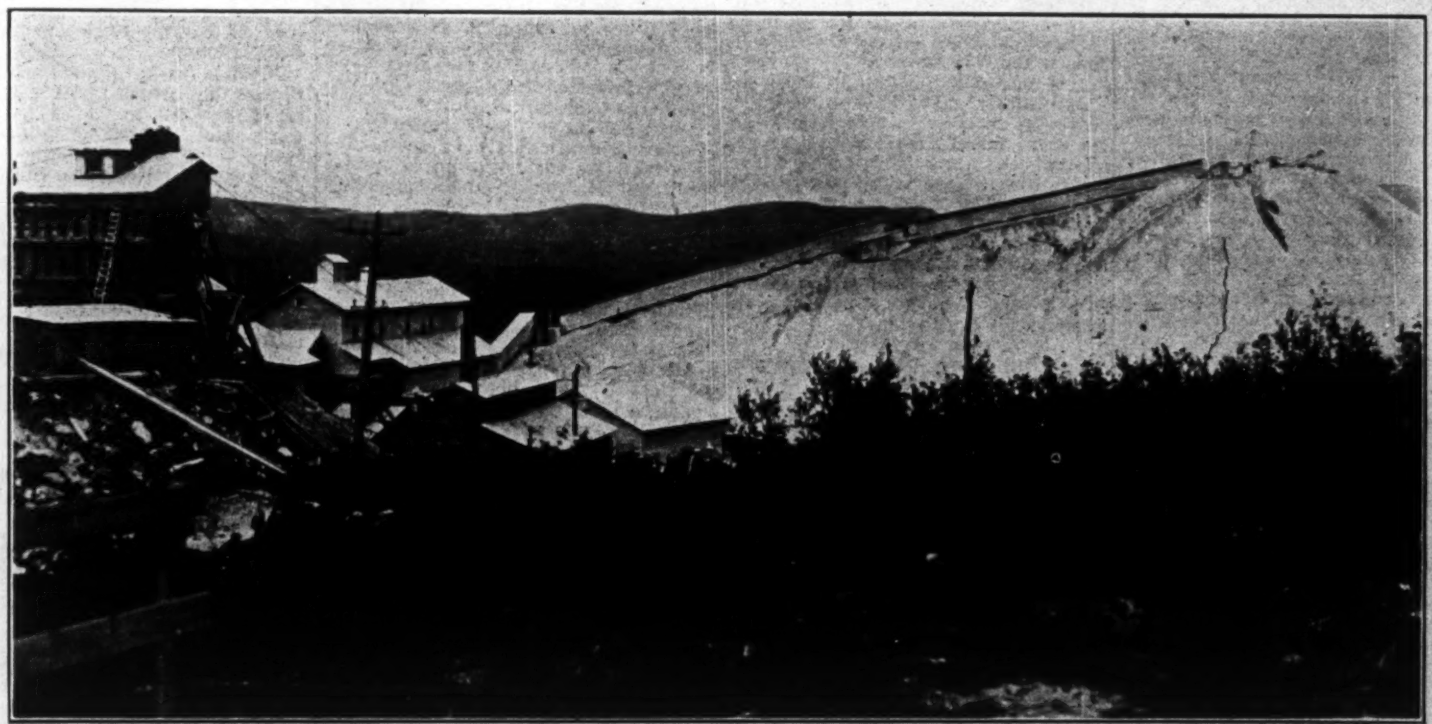
Uses Asbestos to Model Marionettes for Stage

A new use for Canadian asbestos has been developed by Marie Stephens, an artist of Buffalo, N. Y., who is constructing a marionette theatre along old-fashioned lines. She was anxious to have her theatre approximate the marionette shows of the sixteenth century in every detail, even down to the candles used as footlights, and for lighting purposes on the stage.

The danger from fire on a marionette stage was, of course, very much greater than in an ordinary theatre. To avoid this, Miss Stephens is costuming all her puppets in asbestos cloth throughout, painting the cloth with paints of varying consistencies to give the requisite appearance of different cloths.

The use of asbestos cloth for the costumes is a development of her original plan, which contemplated using asbestos only in the puppets themselves. Marionettes of this type are usually constructed of a paste of papier-mache and flour which is molded to shape and baked to hardness. Miss Stephens experienced some difficulty in handling this material, and tried asbestos wool as a base for the heads and bodies of her dolls.

To her surprise, it proved a most satisfactory material, being more easily modelled and more durable than the original papier-mache paste. The composition she uses for her work consists of a mixture of asbestos wool and a flour and water paste, which is soft enough to mold into shape and will hold the shape after molding. After the desired shape has been reached, the composition is baked to hardness. The separate parts of the puppets are made as distinct sections, and articulated with wires.—"Asbestos."



View of part of the Maple Leaf Asbestos Corporation's mill and mine dump at Thetford Mines, P.Q.

A Record of Achievement

COMMENCING operations but in a small way in 1920 the MAPLE LEAF ASBESTOS CORPORATION has rapidly become one of the real factors in helping to develop the large Asbestos resources of the province of Quebec.

Situated in the township of Coleraine, the company's mine is producing 600 tons of rock per day—the present mill capacity. In 1920 operations were first commenced with a milling capacity of 50 tons a day, but this soon proved inadequate and was replaced by one of 200 tons. Because of the good values which have been encountered the history of MAPLE LEAF ASBESTOS has been one of gradual development. The present milling capacity was reached in 1923, with the most efficient and economical machinery that it was possible to obtain.

In the spring of the year, complete new mining equipment was installed and the old accepted methods of open pit mining were discarded. A 1½ yard steam shovel, a 36" x 48" Buchanan Crusher and complementary equipment were put in operation. As a result of this installation the production was materially increased and stabilized, and over forty men dropped from the payroll.

The mineral resources of the property are no more than scratched, as test pits have proved the continuity of the ore body far beyond the boundaries of the present workings.

In spite of the depression in the Asbestos market, the Maple Leaf has been operating at full capacity and selling its entire output. The financial results have proven the property to be one of the most valuable ever developed in the Thetford district.

The development of Asbestos in the eastern townships, while not of the spectacular nature usually connected with mining, is one of the province's vital industries and accounts for as much as one-third of the total revenue received for its minerals by the province of Quebec. Canadians must watch and assist in every way the mineral development of the country—a development that will eventually produce one of Canada's largest sources of revenue.

Maple Leaf Asbestos Corporation
LIMITED

Mines Office
Thetford Mines, P.Q.

Head Office
St. Albans, Vt.

OPPORTUNITIES FOR INDUSTRY IN CLAYS OF SASKATCHEWAN

Vast Deposits, Many of Which Are Well Located

ESTEVAN IS BEST

Near Transportation and Fuel Supply With an Abundance of Pure Water

Dr. Charles Camsell, Deputy Minister of Mines, and Mr. A. J. C. Nettell, of the Federal Geological Service, accompanied by Mr. T. M. Molloy, commissioner of labor and industries of the Saskatchewan government, recently spent some time at Claybank, Willows and Readlyn, looking over some of the clay formations which hold a promise for future development in this part of the province.

The clays are found in formations of tertiary age, which is only present in the southern part of the province. White burning clays are not found over the major portion of Saskatchewan, but there is a widespread distribution of non-refractory clays suitable for the manufacture of the heavier structural clay products, such as building brick, hollow building blocks and drain tile.

Surface clays of several kinds are found in the vicinity of Prince Albert, and, from these, common brick have been manufactured intermittently in the past. The clay worked in a plant two miles south of Prince Albert is a flood plain deposition, or possibly an old lake bottom clay. A lower plastic clay when tempered with water develops excellent plasticity and represents a fairly safe clay to work, one of good strength and low absorption. The only brick material so far located in close proximity to Saskatoon is silty surface clays. From these a local company manufacture a fair grade of common red brick.

Surface clays are being worked at Bruno, Sask., for the manufacture of common brick, drain tile, and interlocking building tile. The deposit is located in an old glacial lake bed. The clay burns to light red or buff color. The Swift Current Creek exposes in its valley sides a considerable thickness of silts and silty clays. These, however, possess too many defects from a clay worker's viewpoint to be worthy of more than passing comment.

Cypress Hills District

Among the most important clay fields of Saskatchewan is that of the Eastend-Ravenscrag district, in the Cypress Hills, near the southwest corner of the province. South of the Cypress Hills the Frenchman River exposes valuable refractory and semi-refractory clays. A section in the valley-side near Ravenscrag shows an exposure with a total thickness of over 480 feet of silts, sands and clays. From South Fork to Palisade, the Canadian Pacific Railway follows the deep valley of the Frenchman River, and for the most of the distance, some fifteen miles, the white band clays can be seen outcropping in the valley-sides within a mile or so north and south of the railway. This band, though only 20 to 50 feet in thickness, forms a very conspicuous feature of the section, and in the distance the white exposures look like great snow-banks. The quantity is practically unlimited.

The white clays are found in addition to wide color and physical changes. The deposits are not as refractory as those further east, but are of the earthenware and stoneware types highly suited to the manufacture of Rockingham, yellowware, and a wide range of stoneware, including chemical stoneware, or clay products that are burned to vitrified bodies in a range from cones 5 to 9. These deposits are described as high-grade raw clays favorably situated in reference to water supply, transportation and fuel; a combination of conditions that makes this location one of great interest and commercial importance.

If a clay plant were built anywhere in the Frenchman River valley, it would be possible to deliver to it a wide range of clays from the immediate district, a condition of much importance. In view of the somewhat limited population of Canada, it would seem advisable to recommend the building of plants capable of making a variety of wares, rather than specializing, at first, on a single line; a combination plant in the Eastend-Ravenscrag clay fields would have many conditions in its favor. Mining the raw clay in this field is a comparatvely simple matter, owing to the flat lying character of the beds, and the open nature of the exposures in the coulee sides, making the deposits easy of access. Lignite coal is mined for domestic consumption in the immediate vicinity, while the great semi-bituminous coal fields of Southern Alberta lie approximately 200 miles by rail west. Drilling for gas is in progress near Eastend.

Clays in Lake of the Rivers district, 250 miles east, are part of the same formation. This area is one of the most centrally located of the Saskatchewan pottery clays, 50 miles south of Moose Jaw on the Weyburn-Assiniboia branch of the C. P. R. The railway crosses the Lake of the Rivers Valley, near Willows, and at this point, about a mile and a half north of the railway, there are large exposures of the white band clays. It is from these exposures that the Alberta clay plants ship large quantities of raw clay to Medicine Hat, where it is mixed with Eastend clay for the manufacture of pottery and sewer pipe.

Following the railway southeastward down the valley, many exposures of good clays are to be found. Four miles east of Willows a large exposure occurs within a few hundred yards of the railway, while at Readlyn and Verwood there are still others not much further removed from transportation. The majority of the white clays in this district are of the ball or semi-china class, burning nearly white in some cases, and to a cream-white in others. They are plastic and more refractory than the clays at Eastend. There are others of the stoneware type, as well as semi-refractories, suitable for sewer pipe, terra cotta, enamel ware, and ordinary fire brick for stove linings.

The main lignite fields of the province in the vicinity of Estevan are approximately 155 miles by rail from Willows, while the semi-bituminous coals of Alberta would have to be hauled approximately 340 miles. Seams of lignite occur within close proximity of the Willows field, but so far have only been mined for small local domestic consumption. The lack of a suitable supply of water is one of the chief drawbacks to the establishment of clay plants in this field. Most of the lakes of the area, including Lake of the Rivers, and Willow Bunch, contain very saline water, while wells driven in the district generally give a very alkaline water. Shallow wells in some cases have provided good water, but for the whole area in general the question of a suitable water supply should be gone into very carefully before any money is spent on the building of clay plants in the district. If the problems of fuel and water can be satisfactorily solved, clay plants in the Readlyn-Willows district, situated centrally among the clay fields of the province, would be able to ship in most advantageously additional clays which might be required to mix with the local clays for the manufacture of any desired clayware. However, if fuel and water prove to be unsurmountable obstacles, the field should still have importance as a great clay-mining centre, due to its central location and excellent transportation facilities for supplying raw materials to other clay plants at various points in the province.

Estevan District

In considering Saskatchewan clay areas, the ore nearly filling the ideal requirements is that of Estevan. An abundance of common clays for the manufacture of structural materials is to be found, while pottery and fire clays are close at hand in the Willows, Readlyn and Claybank fields. From the Souris River good water is available. The district is much more attractive to the class of labor required than any other of the clay fields of the province. Situated near the international boundary, and at the gateway of the Western United States it is close to both eastern and foreign markets. Located as it is in the heart of the coal mining industry of the province, a cheap fuel is assured for power and for burning of the wares. While the fuel is low grade, it can be used satisfactorily for burning common brick, and has splendid gas-producing qualities for the burning of wares requiring the highest temperatures.

Dirt Hills District

The fire clays of the Dirt Hills are of singular interest and importance. Dirt Hills form an isolated elevation rising from the plains about thirty miles south of Moose Jaw. Several extensive land slides on the northern from of the Dirt Hills disclose sections of formations from 200 to 300 feet thick. It is in these exposures that some of the most refractory clays thus far discovered in Western Canada occur. The exposures consist of a series of white and greyish-white sandy clays, bluish and purplish clays, brownish siliceous clay shale and gypsiferous shales. Several miles west of the Dirt Hills a second elevated area rises from the plains, and is known as the Blue Hills. Here, again, are large exposures of refractory clays. For several years a company has been manufacturing fire brick near the town of Claybank at the foot of the Dirt Hills. Provincial investigation has recently shown that exceptionally high-grade refractory tiles for locomotive arch work can be made from the Dirt Hills clay, a condition only met in the past by imported tiles or clay for their manufacture. Through practical tests, it has been demonstrated clearly that much or all the imported refractory clays for locomotive work can be replaced by products from these Saskatchewan clays.

The Avonlea-Gravelbourg branch line of the C. N. R. taps the fire clays of the Dirt Hills District. As in the Lake of the Rivers district, fuel and water are the chief problems affecting development in the area. There are no rivers or large bodies of water in the vicinity, so that plants in the Dirt Hills district will be largely dependent upon well water. In the higher parts of the hills a considerable number of springs occur, which may yield a fair supply of water by damming. Fuel will have to be brought in.

Heavy Lumber Cut in N.B. Expected This Year

From Our Own Correspondent.

ST. JOHN, N. B.—A fairly heavy lumber cut in New Brunswick during the coming season is indicated in scalers' reports to the department of lands and mines. Sawing during the past summer has depleted stocks and the supply of sawlogs will have to be replenished in preparation for next summer's operations.

Exceptionally good stream driving conditions last spring enabled the completion of practically all drives. A drastic reduction in wages, which last season ranged from $45 to $50 a month, is certain.

A new lumber and lath mill has been built at Nelson, N. B., by O'Brien, Ltd., to replace a mill destroyed by fire. The new plant has a capacity of 75.000 lineal feet per day and this will be increased next year to 125,00 feet.

MAKING WESTERN PEOPLE SEE NEED FOR PROTECTION

(Continued from page 1)

porting a tariff. Just as you know that a tariff can not directly serve you, so we know from the experience of our own business that a tariff is a necessity for the support of many lines of industry in this country. Wonderful as is the growth of wheat in Western Canada you cannot have a country which grows wheat only, or grain and livestock only. Fail to develop your other resources, the other capacities of your country and your people, and you would soon have a country in which even agriculture was deserted."

Admit the Western farmer's knowledge of his own needs, and he may accept your statement that a tariff is necessary for your own business. Try to convince him that he does not know his own business and you will soon have him trying to prove to you that you do not know your own and that you would be better off without a tariff at all. Establish the common assumption that each of you knows your own business and you have the basis of an understanding. And mutual understanding you must have if you are to have an agreement.

Then go on to say: "I am not going to talk of the tariff in terms of what is ordinarily called patriotism. The tariff is important from the viewpoint of the country at large, from the viewpoint of having a country at all; but the objections to the tariff are based on it as a matter of dollars and cents; and it is on the basis of getting your money's worth for whatever it does cost you that I would talk to you."

Selling a Tariff Policy

Now you are likely to get a real hearing. As the books on salesmanship put it, you have the attention of your prospect.

Now start with the cost of the tariff. Admit that it costs something but it does not cost as much as some people believe, and its cost is much less in comparative importance than many people affect to believe. Farmers complain, with a considerable apparent justification against certain high wage scales paid to labor in the cities. But the highest wage scales are exactly those with which the tariff has no conceivable relation. The highest paid labor is that in the railway and building trades. High railway wages are a direct cause of high railway rates, and every increase, or attempted increase in railway rates has been directly based on labor costs. But wipe the tariff out entirely and it will not affect in the slightest degree the conditions which determine railway rates. The wages of carpenters and bricklayers would not be affected by five cents an hour. Or consider the cost of coal, which is, for the most part, made up of the wages paid to miners and railway men. You could not reduce it by five cents a ton by wiping out the tariff.

The Farmer's View

The cost of labor on the farm, particularly at harvest and threshing time, has been a burden on the farmer. The tariff makes not the slightest difference to that item.

Consider the cost of a new house or barn. It is principally in the cost of lumber at the mill, in freight rates on the lumber, in wages for the labor of carpenters and others. Not a cent's difference on these items comes from the tariff.

There is an almost indefinite possibility of expansion here. The argument can be elaborated to great length that even if the tariff does increase the wages of labor in certain lines, those are the lines that cost the farmer least.

Leave labor and look at taxes. The heaviest taxes a farmer has to bear are those imposed by the provinces and municipalities, and these have no conceivable relation to the tariff. The two main items that make them up are interest on debt and the cost of education. You will not reduce either one a dollar if you start free trade to-morrow. Turn to the expenditures of the Dominion Government. They have nothing to do with the tariff, except insofar as the tariff is one means of collecting revenue. They will be just as great if there is no tariff. This item can be expanded to considerable length. Criticism of taxes and of government expense gets a ready hearing, and the mere total of government and municipal expenditures and debts sounds like implied criticism.

What is Alternative?

This is the point at which to digress and inquire if the tariff should be abolished as a method of collecting taxes, what would be substituted, and how the farmer would like the Federal tax on land values that is sometimes suggested. The farmer is paying all the direct taxes on land he can afford to pay already.

Interest rates are high in the West, and are complained of by farmers. The tariff has nothing to do with these. Improved credit machinery is being sought by many farm leaders. That is a problem entirely outside of the tariff.

The question of farmers' debts has been an important one during the past few years in the West. It has developed that many farmers owe more money than they are likely to be able to pay. Examine any such case that you like, and you will find that the tariff has been an extremely small factor. Wipe out all the additional indebtedness that you can show, or hope to show that the tariff was responsible for, and you will not find it making any material difference. Where debts for machinery are an important part of the total, it will be found that the high prices prevailing during certain years entirely independently of the tariff, and the high freight rates on them are a much more important consideration than any cost contributed by the tariff.

A single day of rain throughout the West, a shortage of wheat in any other wheat producing country, an improvement of conditions in Europe, the competition of ocean vessels bringing down ocean freight rates, any condition at all tending to a better yield of wheat or an improved price may mean more on a single crop than the total cost of the tariff over many years would mean. Such things may be entirely beyond the control of farmers, but railway freight rates, the interest on money, the cost of government, the machinery of marketing, government investigation to control plant disease, especially rust, are in a measure within control. With respect to any one of these, enormously greater promises of improvement in the condition of farmers have been held out than even the wildest free trade advocate has ever dreamed of claiming. If the tariff is a problem of the Western farmer it is the least of his problems. The energy that has been put into anti-tariff agitation could have produced far greater results in almost any other fields.

Advice is Poor Taste

A word of warning is needed here. Do not tell the Western farmer to quit raising weed seeds, to house his implements, to go into mixed farming. Avoid the temptation to tell him that better farming methods will do more for him than tariff abolition ever could. When an Easterner or a city man starts giving advice to a Western farmer on how to farm, he puts himself out of court at once. Whatever else he has to say will be lost. The heart of his hearer will be hardened against him, and the seed of his message will fall upon stony ground.

Next in the argument come some figures on actual tariff cost, which tariff bureaus are in a position to work out. Let that be followed by a consideration of the position of farmers in the North-western States, who, in spite of the fact that they were in a position to purchase the products that free-trade advocates want to have admitted from the United States, got into a much worse state of affairs than Canadian farmers did.

Then you come to the positive benefits of the tariff in developing Canadian industry. This is important to the farmers, not as providing a home market for them, and you must show that you understand this, but in the development of the country. Strictly from a dollars and cents standpoint it is worth while having a country for many reasons. There is the national debt to be paid, the burden of which must not be allowed to rest on agriculture alone. Without a balanced country we should suffer bankruptcy in a year of crop failure or poor crops, if we depended upon them alone. Canada has provided far cheaper transportation for Western farmers than those in the United States enjoy. Canada provided a much better grain marketing system, even before the introduction of wheat pools, through government regulation. Canada provides an administration of justice which even our neighbors admit is better, surer, and less costly than their own. Charge up against the government, against the country, if you like, all you can imagine the tariff to have cost, and it returns, as a country, far more than that cost. And you cannot have a country, you can insist again, without a balanced development, and you cannot have a balanced development without a tariff.

In your whole argument you must keep off the balance of trade idea, unless you are prepared to say boldly that you know there is nothing in that theory to provide support for a tariff. The farmer knows too much about foreign trade as it affects him to give any heed to outworn arguments, or arguments he considers outworn, on the idea of the balance of trade. You must leave out the home market idea. You must refrain from giving advice.

Accepting a Necessity

You may not succeed in making the farmer like the tariff—almost certainly you will not. But you have a fair chance of persuading him that it is the least of his problems, and in getting him to accept it as a necessity for the country, instead of as an immoral special privilege by which a few people exploit their neighbors. You lose your case if you insist on using all the tariff arguments that have been employed in the past. But you stand a chance of a fair hearing if you will boldly agree with the farmer that some pro-tariff contentions are either fallacious or have no application to present conditions, and claim that dropping all those doubtful arguments you can still present a reasonable case for a reasonable tariff.

It might be worth trying, anyway.

Other Manufacturers Classed as Retailers

Some additional sales tax regulations have just come into force, having reference particularly to small manufacturers. One feature is that those doing a business under $10,000 and not in the enlarged class of those rated as retailers, must take out a sales tax license and make a claim for credit for taxes paid for goods on hand as of Sept. 1. Job printers with a production under $10,000, and who sell exclusively to users, are exempt from the sales tax. The eight classes of small manufacturers, classed as retailers, and exempt from taxes, such as tailors, florists, etc., have been enlarged by the addition of twelve others. Furrier licenses are to be cancelled. Provision has also been made that wholesalers and jobbers can, from Sept. 1, obtain sales tax licenses.

The Canadian Pacific

A Private Enterprise, National in Conception and Achievement

WHEN British Columbia agreed to enter Confederation in 1871, the main consideration was the linking up of that far western province with the east by a transcontinental railway, to be commenced in 1873 and finished in 1881.

Not until 1875 was a start made, and in 1878 not a yard of line had been built in British Columbia, and only 700 miles of rail had been built as part of a piece-meal system of water and rail transcontinental transportation.

The government hesitated at the cost and was embarrassed by the handicaps of the politics of the day. It finally confessed failure and turned the enterprise over to a syndicate of international capitalists, composed mostly of Canadians, but also including British, French and United States financiers.

Instead of a patchwork system of rail and water, this band of nation-builders conceived a great and courageous plan of an all-rail transportation system that would bind the provinces together with a system of rapid communication, dependable at all seasons of the Canadian climate; and they completed the road in one-half the contract time, i.e., in five years.

The government, realizing the tremendous task of financing the enterprise, turned over to the syndicate the 700 miles which, because of the exigencies of politics and changing policies, had cost the excessive sum of $37,785,319, and granted a cash subsidy of $25,000,000 and a land subsidy of 25,000,000 acres, afterwards modified by turning back to the government part of the land in liquidation of a loan of $10,000,000.

Thus the total value of the rail and cash subventions under the terms of the original agreement and its subsequent modifications, including the value of the line taken over by the Canadian Pacific, was $72,800,000.

Out of $1,187,000,000 cash which Canada has spent on railways in grants, subsidies, outstanding loans and construction, the subsidies granted to the Canadian Pacific under the original contract plus those received through the construction or acquisition of other railways, represent just 7.64 per cent of the whole, and that cost has been largely repaid in taxes alone.

How many times it has been repaid to Canada in national development, in prosperity to the people, in populating and settling the country, in the development of industries and in making possible the production of wealth, cannot be estimated.

The Canada as we know it today is the result of the foresight, energy and patriotism of that group of giant pioneers who conceived and built the Canadian Pacific.

CANADIAN PACIFIC

The Railway that Made a Nation

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